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## A Bormannean content analysis of World-Herald articles in the case of the Franklin Credit Union.

Susan Lee Galberaith

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Susan Lee Galberaith

A Masters Thesis

Graduate Studies in Communication

at

The University of Nebraska, Omaha

Conferral of Degree August 1991

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A Bormannean Content Analysis of World-Herald Articles  
in  
The Case of The Franklin Credit Union

A Thesis

Presented to the

Department of Communication

and the

Faculty of the Graduate College

University of Nebraska

In Partial Fulfillment of  
the Requirements for the Degree  
Master of Arts

University of Nebraska at Omaha

by

Susan Lee Galberaith


August 1991


The University of Nebraska at Omaha

## Thesis Acceptance

Acceptance for the faculty of the Graduate College,  
University of Nebraska in partial fulfillment of the  
requirements for the degree master, University of Nebraska  
at Omaha.

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## Abstract

This study combines Ernest Bormann's fantasy theme analysis with content analysis to create a new methodology. The newly created methodology uses a data set to create a highly detailed story from which the portrayal of fantasy themes and their evolution into rhetorical visions can be analyzed. This study used this methodology to depict the fantasy themes setting, persona, and plot line created by World Herald newspaper coverage about the Franklin Credit Union between the years of 1969 and 1990. Recorded themes were then analyzed to determine the extent of their evolution into rhetorical vision. Results of this study support a highly detailed description of fantasy themes related to the Franklin Credit Union. However, in relation to their evolution this study shows no evidence of a single rhetorical vision about the credit union.

## Preface

The preface of this work is dedicated to the many people in my life who, in one way or another, made this work possible. Acknowledgments hardly seem enough to thank these people, many who with their own expertise, a kind word, or understanding heart made this thesis what it is today. Thank you to my family and friends, old and new, for understanding when I was not there for them, didn't spend time with them or forgot the importance of the little things that make relationships last. Thank you to Rita Jerins at the Douglas County Historical Society for copying newspaper articles, a tedious job that saved me a lot of time. Thank you to Ernest Bormann for putting me in touch with Ron Zacharski and Richard Hodchkiss from the University of Minnesota who created the computer program used in this study. Many thanks to my friend, Frank Hartranft, for his hours of work developing computer programs and analysis techniques to make my job easier. Thank you's go to Sue Sanders and everyone at the Computer Help Desk at the University of Nebraska at Omaha. I can definitely say we've seen a lot of each other in the last year and a half. Thank you to Mironda Lierz, my editor, who stayed up many late nights helping me polish this work. Thank you to Dr. M. Sherer and Dr. O. Menard for their patience and input as committee members. Finally, and most importantly, God Bless Dr. Wanzenried, my friend, my advisor, and my mentor through this experience of becoming a masters graduate. No words can ever account my indebtedness to you. To all these people with their strong encouragement and undying dedication to supporting the writing of this thesis, I feel I can finally say we've made it!!

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## **A Bormannean Content Analysis of World-Herald Newspaper**

### **Articles in The Case of the Franklin Credit Union**

Communication plays a vital role in the quality of human existence. It is the means through which individuals and groups relate collectively. As a member of a society, the need to share perceptions with others is inherent.

Communication has added to the growth of the media industry television, radio, magazines, books and newspapers. The industry has developed into a mass mediated arena, one which affects large numbers of people. Even with the diverse audience of people the mass media influences on a large scale, certain images seem to be perceived similarly by specific groups of individuals. If for instance an audience reads an article about an athlete, each reader develops an image of what that person is like. Further reading of the same or even a different article may lead a reader to the discovery that the "athlete" is a basketball player. The impression of this person has evolved from an athlete to a basketball player. Finally, the athlete, now a basketball player, is cited as the number one shooter in the NBA, a final reproduction change which may lead readers to remember this athlete as "the number one shooter" every time his name is mentioned. An explanation of how impressions of events like the "number one shooter" become shared perceptions or social knowledge was developed by Ernest

Bormann. Bormann called his theory the "fantasy theme theory," and used it to explain how insights to people and events can be chained into what he called rhetorical visions, socially shared perceptions of reality (Bormann, 1982a).

Understanding the images which become a part of our socially shared perceptions of reality can lead us to a better understanding of how communication works. Bormann (1985b) believed that the fantasy theme was a past time present explanation for an event, meaning that each time images of people or events are shared, new realities are created. These newly created realities are images of current depictions of people or events based on past understandings of similar people or events. He used this theory to show that groups share similar perceptions of people and events, despite the newness of each lifetime experience.

Fantasy theme analysis is a qualitative method of study (Bormann, 1982a). This means that shared images and communication patterns can only be generally surmised from any given content, a disadvantage to users who wish to eliminate the subjectivity of human nature from studies of human consciousness and understanding. Combined with content analysis, fantasy theme analysis is a more objective and accurate representation of shared images (Stempel & Wesley, 1981).

This study uses methodology combining content analysis and fantasy theme analysis. The content studied is a body of World-Herald newspaper articles written about the Franklin Credit Union. The purpose of this study is to discover how the World-Herald dramatized the event of the failed Franklin Credit Union and to determine how this dramatization changed from the original establishment of the union in 1969 through the media surrounding the credit union's failure as of September in 1990.

## Chapter 2

### Literature Review

#### Fantasy Theme Analysis

Communication is an ongoing process, one in which events and relationships are seen as dynamic, energized, and action oriented (Pace, 1983). Communication experiences are seen by Wayne Pace as happenings, experiences that start before one enters the process and continue even after one exits. Happenings, often referred to by Pace as "events" (p. 152) have something that precedes them and something that follows them. Wayne Pace (1983) and Samuel Bois (1978) suggest that because events have beginnings and endings in existence before and after individuals enter them, people incorporate their past, present, and future into perceptions of images shared about specific events.

Studies of communication often entail studies of people's perceptions of the basic units of communication. These units, signs, symbols, and codes are fundamentally linguistic systems used by people in relationships (Gergen, 1982). These units derive their meaning from message perceptions within each communication happening (Pace, 1983). Joint action, the joining of familiar signs, symbols, and codes, is a process resulting in social knowledge (Shotter, 1984). From this perspective, knowledge about social life is not viewed as a reflection of what there is, but rather, as a transformation of experience into

linguistic ontologies (Gegen, 1982). This places the restraints on knowledge expressed through language, not on the reality of the experiences that language describes, but instead on the social processes which describe these events (Gegen, 1982). Today, the process of describing events is highly reliant on television, radio, and press. Mass media acts as a great influence on the process of forming social knowledge. Thus, mass media's descriptions of specific events become an important speculation.

As different as people are, social knowledge remains influenced by mass media. According to many scholars, consubstantiality or meeting of the minds is not solely perpetuated through the individual. One such scholar, George Herbert Mead, in Littlejohn's (1989) Theories of Human Communication, describes how social knowledge is actually formed through a drama. According to Mead's theory, communication events are made up of social acts. In "Mind, Self, and Society" Mead brought a better understanding to why the social act was an integral premise within human communication. According to this work, it is through role taking that people imaginatively complete acts and thus learn to respond to them (Littlejohn, 1989). "Role taking" (Littlejohn, 1989, p. 97) is much like the production of a drama and is a complicated process. Underneath the seemingly simplistic masks worn by performers are complex human beings. Mead stressed throughout his

writings that the process of a performance was an interdependent production of playwright, stage, costume, players, and audience. Just like a drama, social acts depend on their context to give them meaning (Littlejohn, 1989).

The success or failure of the process of forming social knowledge, whether or not through the use of drama, is highly reliant on the perceptions of those involved in an event. A drama in itself creates its own reality (Bormann, 1982a). According to Bormann (1982a), this is not to say that drama makes up or falsifies events, simply to recognize that the process of human understanding is an approach reliant on realities which are not here and now phenomenon or actual events (Bormann, 1982a).

Dramatically analyzing events and the communication behaviors that surround these events is important. It is this form of analysis which ties logic to the act of being creative. Dramaturlogical analysis goes beyond simply analyzing words as reality; it analyzes the reality that exists behind a given text (Combs and Mansfield, 1976). Earnest Bormann (1972) used a form of contextual dramatical analysis to explain a phenomenon he called "chaining" (p. 397). The process of chaining was an evolutionary principle that explained how social knowledge was shared by members of a group (Bormann, 1985b).



The foundation of Bormann's (1985b) theory is called the "fantasy theme" (p. 131). Fantasy themes refer to "the creative and imaginative shared interpretation of events that fulfill a group psychological or rhetorical need" (Bormann, 1985b, p. 130). These events, as reported by the media, deal with happenings that involve members of a specific group or a subset of that group (Bormann, 1985b). This does not mean that all those involved were actually present for an event, but it does mean these group members share socially a perception of reality (Bormann, 1985b). Essentially fantasy themes create a paradigm, a model or example from which theme adherers share similar information processing (American Heritage Dictionary, 1982). Adherers create similar realities by the confirmation and recognition of "themes" within their paradigm. As themes become recognized, they become social knowledge or socially shared perceptions of reality (Bormann, 1985b).

In addition to recognizing fantasy themes, Semlak discovered that "members of a rhetorical community categorize families of 'fantasy themes,' as similar in: basic story line, mood, and tone," (Bormann, 1985b, p. 295) and placed these themes into what Bormann (1985b) called "types" (p. 295). "Fantasy types" were often alluded to by group members sharing communication messages (Bormann, 1985b, p. 295). The appearance of fantasy types brought to the theory of fantasy themes a recognition of relationships

among communication messages (Bormann, 1972). These relationships represented patterns of messages defining who talked to whom within each event (Pace, 1983).

Patterns of who talked to whom sparked the notion that themes were not only being shared, but were also part of an integrated symbol system called "rhetorical visions" (Bormann, 1972, p. 398). Bormann (1985b) described rhetorical visions as events or happenings that can not be ignored by participants.

The process of "chaining" (Bormann, 1972, p. 397) takes an event from an interpersonal setting into a mass mediated setting. It is the evolution of a fantasy theme into a rhetorical vision. Members of a group thus share a consciousness based on their perceptions of the fantasy themes which develop into a rhetorical vision (Bormann, 1982a).

Bormann (1985b) suggests the process of chaining is related to the symbolic convergence theory. This theory, based on a three part structure, directly affects how well the process of chaining fantasy themes into rhetorical visions works (Bormann, 1985b).

The first convergence structure deals with recognizing shared group consciousness. In order for a fantasy theme to become a rhetorical vision, some recurring form or pattern, indicating that the perception of an event by a group has stayed the same, must be recognized. Bormann's (1985b)

theory suggests that users are forced by the process to search for fantasies. Fantasy theme analysis is meant to engage users in the act of recognizing themes and patterns as determined by a specific communication of that drama. Furnahm (1986), in her book Social Behavior, suggests that to apply objective classifications to individuals differing in their understanding of a situation is inappropriate. This account for the subjectivity of human nature supports the use of fantasy theme analysis in studying communication messages by recognizing the complexity of human cognition and understanding.

The second structure consists of describing the dynamic tendencies within communication systems and explaining why group consciousness arise, continue, decline, and disappear. These descriptions define images by recognizing the affects such group consciousness have on meanings, motives, and communications shared within a group (Bormann, 1982a). As noted earlier, knowledge systems are linguistic systems, signals that rely on relationships to give them meaning (Gregen, 1982). Gregen suggests that typically, such relationships depend on the usage of terms within a social interchange. Thus, the effectiveness of knowledge systems rely on constraints that are social rather than experiential. This explains why members of a group explaining an event to a group of outsiders often emphasize specifics of that event in a way that affects the

perceptions of new group members similarly to their perceptions of the event.

Bormann (1985b) establishes the third and final affecting structure within the social convergence theory by describing why people share the themes they do, when they do. In a sense, what audiences do is place a weight and value on units of information. The weight of a unit is defined as that unit's believability or credibility, and is determined by the characteristics of a specific source of information (Fishbein, 1967). The value of a unit is then the evaluation of a specific piece of information based on its weight (Fishbein, 1967). According to Fishbein (1967), information units gain importance through the combination of these structural criteria (Fishbein, 1967).

Fishbein's theory of weight and value creates a specific group culture when group members chain fantasy themes created by specific sources of information. The chains begin from communication events that represent other than here and now phenomenon (Bales, 1970). As explained by Bales (1970), the process of chaining group fantasies together creates symbolic reality through the culture of an interacting group by stimulating in each of its members

A feeling that he/she has entered a world of heros, villains, saints and enemies, a drama. The culture of the group fantasy established from the past, which is acted upon in the present. In such moments,

which occur not only in groups, but also in individual responses, one is "transported" to a world which seems somehow even more real than the everyday world. (p. 152)

Group culture uses chained fantasy themes to support rhetorical visions (Bormann, 1972). All rhetorical visions hold three elements in common which act to nurture specific group cultures. Clark (1985) defines these elements as the setting, the scene to which the persona and plot line are acted out; the persona, characters; and the plot line, the action of a drama.

Bormann has applied fantasy theme analysis to the following studies: "The religious movements of the puritans" (1970); "Eagleton affair of the George McGovern campaign" (1972); "Abraham Lincoln's inaugural address (1980); "Political cartoons of 1976 presidential campaign: Television coverage of the hostage release intertwined with Reagan's inaugural address" (1982); and "Ghost writing and the cult of leadership: The development of social convergence theory" (1985). Others have also applied fantasy theme analysis in studies of communication events: Hensley's "Rhetorical vision and the persuasion of a historical movement: The disciple of Christ in the 19th century" (1975); Flakus' "An analysis of rhetorical visions present in rock and roll song lyrics" (1980); Cragan's "The origins and nature of cold war rhetorical vision" (1981);

Kroll's "From small group to public view: Mainstreaming the women's movement" (1983); Clark's "Fantasy theme analysis of Ms. Magazine: 1972-1984" (1985); Enders' "Rhetorical visions of unmarried mothers" (1987); and Ford's "Fetching good out of evil in AA: A Bormannean fantasy theme analysis of the big book of alcoholics anonymous" (1989).

Fantasy theme analysis has a theme specific vocabulary. The terms of this method of analysis are defined by Bormann (Kroll, 1983) as:

**FANTASY THEME ANALYSIS:** A humanistic critical study of the messages created by people as they develop a group or community consciousness, raise others to that consciousness, and try to sustain that consciousness among community members. (p. 140)

**RHETORICAL FANTASY THEME:** Bales' dramatizing message as used by speakers, journalists, publicists, organizers, and so forth in public messages. A fantasy theme is an interpretive narrative, for the most part, which provides a coherent and artistic dramatization of a fictitious historical event. The rhetorical fantasy appears in the manifest content of the message as a drama which includes characters who enact a scenario within a given scene. (p. 140)

**FANTASY TYPE:** A recurring scenation in a body of discourse. When a community shares a series of fantasy themes which are all quite similar in their story line, heros

and villains, and emotional evocations and values, these taken together form a fantasy type. (p. 140)

**RHETORICAL VISION:** A coherent integration of various fantasies which pretend a broader view of important human concerns whether they be political, social, military, theological, etc. The fantasy types and themes are frequently integrated into a vision by a master analog which pulls the elements together. (p. 140)

In addition to the above definitions, the method of fantasy theme analysis is an examination of recurring elements within a specified dramatization of an event. These elements were defined best by Becky Kroll (Clark, 1985) as:

**THE HERO/INE:** The key protagonist, the hero/ine and most sympathetically portrayed character. This role usually figures prominently in the fantasy types and is allied with the forces of 'good.' (pp. 16-17)

**THE VILLAIN:** The key antagonist in the recurring dramas. This character is most often an evil persona and symbolizes the problems, difficulties, obstacles, or negative forces with which the hero/ine must contend. (pp. 16-17)

**THE PLOT/ACTION LINE:** The action portrayed in the recurring dramas. This is a script which typically pits the hero/ine against the villain in some struggle

culminating in a resolution between the forces of good and evil. (pp. 16-17)

The use of this method of analysis represents an evaluation of dramatizations made by the symbolic world of a specific group which nurtures that group's culture (Kroll, 1983). Descriptions of such symbols include depictions of how the world is, how it came to be, and how future change can/will occur (Kroll, 1983). These depictions define the breadth, depth, and scope of fantasy themes and types being studied (Kroll, 1983). The presence of unifying and cohering themes and types within dramatizations of an event are judged to determine what rhetorical realities constitute rhetorical visions, and are exemplified by their ability to be chained into shared perceptions of reality by group members (Kroll, 1983).

#### The Importance of Time Analysis

According to Hirsch, Miller, and Kline (1978), in Strategies of Communication Research, time is seldom an entity set aside in any data research. Hirsch et al.'s use of time in communication research defines time as an explanatory factor, a link between variables, and a qualitative measure of their interplay. Time plays a significant role in studies of communication messages by telling who talked to whom and when (Hirsch et al., 1978). Time thus determines the structure of communication messages about particular events.



Hirsch et al. (1978) argue that time is most often thought of as evidence of a causality. They stress two ways time is used to do this: when time is used as a setting and when time is used as a sequence. Time used as a setting has a meaningful function in social research. As a setting, time allows a researcher to evaluate individual events or relationships in relation to their larger pattern, defining events in terms of their context and environment (Hirsch et al., 1978). As a sequence, time provides evidence of causality by allowing scholars to determine in what order themes occur in events (Hirsch et al., 1978). The setting and sequencing of events is closely allied to the causal affects of time. By combining both uses of time, a researcher can determine the context of themes in communication messages.

The work of Ole R. Holsti, Guido H. Stempel, III, and Dru Evarts (Stempel & Wesley, 1981) contribute to the application of time analysis in the current study. In 1974, Dru Evarts and Guido H. Stempel, III conducted a study of the "Coverage of the 1972 campaign by TV, news magazines and major newspapers" (Stempel & Wesley, 1981). The study contributes the idea that content analysis must follow systematically the differences that occur between time periods. Stempel suggests that researchers must conclude either that there were substantial differences between time periods or that the two time periods were similar (Stempel &

Wesley, 1981). This insight presents content analysis as an evolutionary method in which the content itself naturally determines the results of a study, instead of an experimental design (in this study, the dictionary) determining research results.

Another important discovery dealing with time is that a specified body of content may or may not deal with a single time period. Evarts and Stempel (Stempel & Wesley, 1981) in their cross media study had a definite starting and stopping point. When coverage of the 1972 campaign ended, their body of content was complete. Yet, it is conceivable that a study may not have a clear starting and stopping point. In this instance, a scholar may use a sample of the original content. It is important that the sample of the content as a whole be representative, so that results can be applied to the content in its entirety.

## CHAPTER 3

### Methodology

The method of analysis employed in the current study is a combination of fantasy theme analysis and content analysis. This combination of methods is one not yet employed by many scholars. Fantasy theme analysis is combined with traditional content analysis to create a methodical and quantifiable method of depicting events. Combining methodologies allows researchers to gather and analyze dramatized public messages, used by speakers, journalists, and publicists in an organized and quantifiable manner (Bormann, 1982a).

A combined content analysis and fantasy theme methodology employs a traditional fantasy theme search. A researcher collects a chosen content and analyzes the text of that content, drawing from the text the various setting, persona, and plot line, to which events take place. This extraction is called the fantasy theme. Fantasy themes are then analyzed to reveal if a chaining of the discovered theme has led to the development of a rhetorical vision.

In addition to combining methodologies, this study employs the use of computer analysis techniques. "Gencord" (Hotchkiss, 1989, p. 1) the first computer program creates a data file called a concordance. The concordance is a stored output file of the occurrences of terms called "key list"

(Hotchkiss, 1989, p. 3) terms, their context, and coded information pertaining to each line of text analyzed. This output file is then analyzed to determine the fantasy themes: setting, persona, and plot line depicted by the text. The concordance, a re-creation of the event studied in relation to key list terms, reveals the fantasy themes associated with an event. Using the same output file, fantasy themes are analyzed to determine if the context of the terms related to the event maintain similar mood, tone, or meaning. If themes are discovered to have similar meaning, they become labeled fantasy types. Finally, fantasy types are examined to determine if they display any patterned usage. Patterned usage is determined by using the gencord concordances as an input file for a VAX/EDT sort program (1987). The sort program lists occurrences of key terms chronologically. The terms and context of an event repeated in the explanation of that event by the content of the message vendor studied are then recorded. If fantasy types, developed by a message vendor, display a patterned or recurring usage in reference to the event studied, the fantasy type is then determined to have become a rhetorical vision.

### Content Analysis

Content analysis, according to Emmert (1970), was developed primarily as a means of analyzing mass

communication messages to determine the who, what, where, when, and how of an event. The methodologies of the following scholars suggest applications of a traditional content analysis: Philip Emmert (1970), John Waite Bowers (1984), and Guido H. Stempel and B. H. Wesley (1981). The varied applications of content analysis methodology used by these scholars to analyze magazine articles, famous speeches, and even folklore, support the foundations characterizing traditional content analysis methodology.

Content analysis is a way to gather and analyze information about people (Bowers, 1984). Using content analysis, a variety of communication ontologies can be analyzed. These structures and ontologies are called units. Units allow communication messages to be counted or measured and placed into categories. Categories are specific niches to which units either naturally fall or are placed. Categories consist of two types: the what they are or descriptive categories and the what they do, or functional categories. Category systems must be manageably finite, having a beginning and an end that clearly and completely contain the units of data being analyzed; They must be exhaustive, having categories for all units of analysis; and finally, categories must be mutually exclusive, having units assignable to one and only one category (Bowers, 1984).

As communication researchers Stempel (Stempel and Wesley, 1981), Holsti (Stempel and Wesley, 1981), Emmert (1970), and Bowers (1984) agree, the process of coding is the process of breaking communication messages into units and placing them into categories. A coder places units into categories. According to Holsti, coders can be human beings or computers (Stempel and Wesley, 1981). In this study, units within categories are recorded by computers. Data files act to record specific units observed for each category. Units are categorically analyzed for each specific piece of content. In this study, coding is subject to computer understanding. Coding instructions or decision rules tell a computer what units fit into specific categories (Emmert, 1970). Coding instructions in this study take the form of a dictionary. Computers are objective. However, if a dictionary is inaccurate, not clearly defining categories to which units must fall, the results of a study may be incorrect (Bowers, 1984).

Therefore, after a dictionary is developed, its accuracy must be tested. A good way to test a dictionary's accuracy is by having the computer use the developed dictionary to analyze material similar to that being analyzed on a large scale. This is called the pilot study (Bowers, 1984). After conducting a pilot study, a researcher may find revisions of units and categories

necessary. Based on the results of a pilot study, the coding procedure is said to be accurate if the dictionary consistently places similar units into similar categories (Bowers, 1984). Once an experimental design creates an accurate coding process, actual analysis of content may begin. This study includes a pilot study as Appendix A, p. 145.

Content analysis is a measure of human communication behavior. It can never estimate with 100% accuracy the exact outcome of events similar in context. The purpose of a content analysis is not to estimate exact outcomes, but rather, to cultivate a consciousness of the elements which exist within public message systems (Gerbner, Holsti, Krippendorff, Paisley, and Stone, 1968). Gerbner et al., explain this analysis perspective as an approach to "message systems as common cultural thought which communities cultivate shared public notions about facts, values and contingencies of human existence." (p. 123)

Gerbner et al. (1968), in their book, The Analysis of Human Communication Content, define such knowledge and its elements as follows:

Propositions expressed in the images, actions and language of the most widely shared (that is mass-produced and rapidly distributed) message systems of culture. Elements of existence refer to the

assumptions, contexts, points of view, and relationships represented in these message systems and made explicit in the analysis. (p. 129)

Readers of Gerbner et al.'s (1968), book are supplied with a chart that serves as a summary of the questions, measures, and terms of general content analysis they value most. The terms themselves serve to depict the cultivation of collective notions which lead to the cultural development of social knowledge. Gerbner et al., apply content analysis to human communication research by asking the questions "what is, what is important, what is right or wrong, and what is related to what" (p. 129). Corresponding to each question posed by Gerbner et al. are terms of analytical measurement which act as tools to answer these questions. Gerbner et al.'s (1968) questions and measurement terms place researchers, using the method of content analysis, in a position of discovery as opposed to a position of labeling. Listed below is a modified version of Gerbner et al.'s (1968) research questions, explanations and corresponding terms of measurement:

Question 1.) What is? A public assumption about existence measured by attention: Measures what things (kind of things) message systems call to the attention of a community. (p. 129)



Question 2.) What is important? A context of priorities measured by emphasis: Measures in what context or order of importance attended items are arranged. (p. 129)

Question 3.) What is right or wrong? A point of view with effective qualities measured by tendency: Measures in what light or from what point of view attended and emphasized items are presented. (p. 129)

Question 4.) What is related to what? A proximity or in this case a setting or sequence measurement based on logical assumptions about structure: Measured by the evolution of time in context items associations with one and other. (p. 129)

Stempel (Stempel and Wesley, 1981), Holsti (Stempel and Wesley, 1981), Emmert (1970), Bowers (1984), and Gerbner et al. (1969), use traditional content analysis methodology which can be summarized by the steps below:

1. Asking a question
2. Choosing a content to analyze
3. Determining the units to be analyzed
4. Choosing categories to place units into
5. Choosing coders (human or computer)
6. Developing "coding rules" or a "dictionary"
7. Running a "pilot"
8. Testing internal accuracy of the pilot

9. Making any necessary changes to coding based on the results of "pilot" accuracy
10. Running actual data through coding procedure
11. Analyzing the results of coding
12. Determining how closely research data has explained the phenomenon
13. Drawing conclusions from findings
14. Assessing the futuristic value of the study itself

The combination of fantasy theme analysis with content analysis

Content analysis is a systematic means of dividing communication messages into categorically analyzable parts (Stempel and Wesley, 1981). Bormann's (1972) fantasy theme analysis is a dramaturlogical means of explaining an event. The use of these methods together was initiated by the students of Earnest Bormann at the University of Minnesota Speech Department.

Content analysis is a well used and explicitly defined method for analyzing written and oral communication. Combining fantasy theme analysis with content analysis creates, a method of classification which allows an analysis of human motivation and consciousness that can be easily analyzed and understood. In this book, Research Methods in Mass Communication, Stempel and Wesley (1981) cite James A. Anderson, a theorist who used content analysis to identify

"key words" in news stories as a way of determining what news articles were about. This combined methodology uses key words of World-Herald news stories in much the same way to determine community consciousness.

Watters, a doctoral student of Bormann and researcher at The University of Minnesota, has combined the research techniques of fantasy theme analysis with those employed in a traditional content analysis. The study combines these methods to analyze coverage of the 1980 presidential campaign. Watters' (1988) "Campaign communication and the undecided voter: An analysis of the 1980 presidential campaign" is a track of the presidential persona that evolved in the campaign coverage by media.

The analysis of text in relation to key words is an important factor as noted by these two studies. Methodology which uses key words as a focus can tell what specific text is about and what text says about specific words. Thus, the process of text analysis becomes one of analyzing a body of content as a whole in relation to these key words.

## CHAPTER 4

### History

In order to understand the ramifications of the evolved fantasy themes and rhetorical vision surrounding the case of the failed Franklin Credit Union, it is important to understand the community as a whole, its values, and the credibility of the union and World-Herald within the community. The following is background information surrounding the establishment of these institutions and the Omaha community.

#### Omaha, Nebraska as a Community

Omaha, Nebraska, a city established in the late 1850s was known as the "Gateway to the West" (Omaha in Brief, 1989). Since the 1850s, Omaha has grown consistently and is now the 45th largest city and the 79th largest metropolitan area in the nation. The city limits of Omaha extend over 100 miles and include a four county region made up of Douglas, Sarpy, and Washington counties in Nebraska, and Pottawattamie county in Iowa.

Since its establishment, the Omaha metropolitan community has gained almost twice its original number of members. The Omaha metropolis is made up of approximately 89.8% Caucasians, 8.1% Blacks and 2.1% others (including American Indians, Eskimos, Aluet, Asian, and Pacific Islanders). Population characteristics show that all ethnic

backgrounds in the Omaha metropolitan area value education. Over 76.6% of the Omaha metropolitan population have a high school degree in comparison to national statistics of only 66.3% of the general population (Omaha in Brief, 1986, p. 4). Approximately 54% of whites, 44% of blacks, and 52% of others have also obtained a college education (Omaha World-Herald Consumer Preference Study, 1988, p. 10).

As a whole the population of Omaha is young. Omaha has a median age of 31.4, while in contrast, the median age of the United States' population is 33.0 (Metropolitan Market Survey, 1990). The population houses an estimated 621,600 people within 232,200 households in the metro area, which is approximately 2.69 people per household.

Despite an overall value for education, the community's black median income still remains low. Blacks in the Omaha metropolitan area make approximately \$19,130 per year, while others and Caucasians make approximately \$25,278 and \$30,409.

Adding to the culture of the Omaha community is the quality of life residents have built. Omaha, Nebraska is a "heartland community, built on the character of its people" (Omaha in Brief, 1990, p. 2). The cost of living in Omaha is 15% below the national average. The metropolitan community has a reputation for pride, honesty, and a solid work ethic.

Omaha offers a diverse array of cultural and recreational activities for its community and boasts of having outstanding health care facilities, which include over 17 hospitals and clinics that provide health care to all in the state and in some instances the nation (Omaha in Brief, 1990).

Omaha has a strong economy. The unemployment rate is consistently lower than the national average, as is the cost of living in the community. Omaha and its metropolis can boast of a lower crime rate than other cities of its size.

Statistically and culturally, Omaha maintains a high quality living environment, an environment which shapes a traditional view of Omaha as being a city of rugged individualism, born of the pioneer spirit and steeped in the Midwest work ethic, characterized by its people's pride, loyalty, and unwavering determination to succeed (Omaha in Brief, 1990).

#### History of The Franklin Credit Union

Established by Reverend Kelsey Jones of Wichita, Kansas in January of 1968, the Franklin Credit Union serviced the area bounded by 24th and Cuming Streets and Bedford Avenue (Omaha World-Herald, July 21, 1969).

The philosophy of the credit union was to give people in its surrounding area "a hand-up not a hand-out" (Franklin Newsletter, 1976). The union was a federally chartered

credit union in Omaha, Nebraska. The union encouraged investment based on its belief that it saved money, lent a helping hand, and restored the dignity of its members. Investors, as the union would have said, invested in people, supporting counseling programs, budgeting classes, and money management techniques that made it possible for less advantaged families to start over and get their feet back on the ground.

The union was insured by the National Credit Union Administration, a U.S. Government agency, which insured all deposits up to \$100,000 thousand. Large businesses, churches, and individuals were encouraged to invest or make donations (Omaha World-Herald, 1971).

Originally located at 2001 North 35th Street in the Wesley House, the Franklin Credit Union moved to 1723 North 33rd street early in July of 1969, where it stayed until closing in 1989. At the time of its move, the credit union was praised for having solicited 300 members and for earning over \$28,000 in assets to service the needs of these members.

#### History of the World-Herald

The Omaha World-Herald, established in 1885 by Gilbert Hitchcock, is currently the only news publication of its type in the Omaha metro area (Gale Directory of Publications and Broadcast Media, 1991). Currently, Herald Anderson acts

as Chairman of the Board, CEO, and President of the paper. Woodson Howe is Vice President and acting editor.

The paper circulates with a 59% coverage on a daily basis and 71% coverage on a Sunday. This means that approximately 59% and 71% of the population in Omaha, including the four county metro area of Douglas, Sarpy, Washington and Pottawattamie receive a paper on a daily basis or on Sundays (Gale Directory of Publications and Broadcast Media, 1991). The paper circulates a morning and evening edition Monday through Saturday and a Sunday paper. The 1989 consumer preference study states that readership has grown approximately 40% since the late 1960s, while community coverage has stayed close to the same since 1973. Approximately 48% of the population subscribe to a Sunday paper and 42% to a daily paper (Omaha World-Herald, 1989).

Background information surrounding the institutions of the Franklin Credit Union and the Omaha World-Herald suggest that Omaha is a closely knit community. This brief look at the history of the community and these institutions also suggest that people in Omaha are interested in community events. Finally, a community history suggests that Omaha supports its community members.



## CHAPTER 5

### The Study

This study combines fantasy theme analysis and content analysis methodologies to analyze World-Herald newspaper articles dated between 1969 and 1990 related to the Franklin Credit Union.

#### Sample

The article sampling technique used to derive a final data set selected articles on a random basis from a body of 674 articles collected from the World-Herald. Sampled newspaper articles totaled 112. Articles were ordered chronologically and selected on a sixth article basis. This means that articles 1, 7, 13, 19, ect. were analyzed. The first article was dated April 4, 1969 and the last article was dated September 30, 1990. No article was ever repeated.

#### Procedure

Each article was typed to an ASCII data file which included the text of the article and an article date. In the pilot study, line numbers were also included in these files; however, by modifying the procedure and typing asterisk at the beginning of each new date, a computer program quickly gave each line of text a line number and placed them in chronological order. Each ASCII data file was run through "Gencord," a word search concordance program (Hotchkiss, 1989). Using a key list, the words credit,

union, Franklin, Larry, and King were analyzed by the computer. The computer program extracts from the ASCII data file the key list word, the context of that word, and each data line code affiliated with a specific line of text. The Gencord concordance output then became an input file for a "VAX\EDT" sort program which listed the terms in ascending order according to date and code number. This final output file was then analyzed to determine the fantasy themes, the setting, persona and plot line, which evolved about the Franklin Credit Union. The discovery of a fantasy theme is supported with a recreation of concordance text which embodies each theme element. The same output file is then analyzed again to determine if words similar to or the same in meaning were used in reference to key words, and chained by the World-Herald newspaper from fantasy themes into rhetorical visions (see Appendix B, p. 182).

A content analysis based on fantasy themes consists of discovering the fantasy themes, the setting, persona, and plot line, involved in an event, and then determining if the fantasy theme has been chained into a rhetorical vision. Each category of theme analysis has under it sub-categories which further detail the findings of this study and actively combine content analysis to the theme analysis. The sub-categories are the content analysis designations of attention, emphasis, tendency, and structure. These sub-

categories act to organize the results of this study into more detailed dramatizations of the event studied.

### Results

#### Setting:

The setting of the Franklin story was mainly depicted from 1969 to 1975. World-Herald articles depict the setting of the Franklin Community Credit Union of Omaha, Nebraska using the following descriptive words in relation to key list word results of the Gencord concordance. This analysis did in fact illustrate a manifest setting, confirming that the existence of the text elements attention, emphasis, tendency, and structure related specifically to the development of a fantasy theme portrayal by the World-Herald newspaper.

The results of this study reveal the depiction of a setting related to the Franklin Community Credit Union. Sampled World-Herald articles, dated between 1969 and 1975 and analyzed in relation to this first category, dramatize the union by paying attention to the establishment of the union, its place of establishment, the union's purpose for starting, the types of people the union was established to assist, and the future goals the union hoped to achieve in the community. Sampled articles emphasize in setting the great need Omaha as a community had for the Franklin Credit Union's services. Based on this need, articles frequently

referred to the specific area of Omaha most affected by the union's establishment and the original hardships suffered by the people within the serviced area. Sampled articles had a tendency to speak highly of the credit union, praising its establishment in the community. The sample suggests the credit union was an answer to community poverty problems. Structurally, looking at articles sampled from the World-Herald that date before 1975, the paper projected a definite humanitarian relationship between the foundation of the Franklin Credit Union and the Omaha community. To confirm that this humanitarian relationship was clearly personified by the paper, text marked by key list terms was analyzed in relation to setting. The text of key list terms was recreated by piecing together the setting of the Franklin Credit Union as depicted by the World-Herald articles sampled.

Concordance results support this setting recreation of the Franklin Credit Union between the years 1969 and 1975 with text lines 1 through 31 (see Appendix C, p. 185).

The World-Herald recreation of text lines

1 through 31 reads:

World-Herald articles dated 1969 through 1975 set the Franklin "Credit Union in new offices at 3317 North thirty-third street." The union "has about 180 members." Articles reported the "union was formed last January," which

according to article dates would date its establishment at January of 1968.

In World-Herald articles as of 1970 "Lawrence E. King, Jr., 25, is reported by the World-Herald to be manager of the credit union. King was with First National Bank."

Articles dated in 1970 cite information about the union's services and serviced areas under management of Larry King. "The credit union is open to persons living in the area bounded by Cuming and Bedford Avenue." Articles reinforce the importance of the union to the community by referring to the credit union as a "bedrock organization," formed to meet the needs of its community.

"In January 1969, the Franklin Community Credit Union began with total assets of \$127.5." In reference to the meager beginning, the Franklin had World-Herald articles set the stage for positively portraying the union. Articles start by stating "the credit union, herein referred to as Franklin, is in the business of making small loans to pay for aid to dependent children and beds for families. The union sells food stamps." Articles express concern that "the credit union name may be misleading," reminding readers that the union, even though named the Franklin Federal Community Credit Union, "is not a government sponsored agency." Loans and organizational services are dependent on donation and private membership to the union.

Donations and memberships grew. "King said, 'The union now has \$60,000 in deposits from 1,000 investors.'" Articles once again remind readers that "when the union started it had 29 investors and \$127.50 in capital, and reported "the union would like to reach \$200,000 in deposits."

Continuing in the same year, World-Herald reports highlight the "union administration's authorization of Franklin to lend money to persons living or working in the union's bound areas." Now the credit union could act not only to serve the small area of its bound coverage, but could also reach those in need outside its limited area. "As deposits grow, the credit union will now be able to expand its lending area."

Articles in 1973 cite the union's "dividend as comparable to that paid by other credit unions and other financial institutions." However, in the case of the Franklin Credit Union, "the dividend is notable because the union only charges one percent interest and the union's delinquency rate is 5 percent a loan." World-Herald articles revealed that "the credit union itself got generally high marks" on a survey of area services.

In 1974, "King said the union hopes to establish a south Omaha branch at [the] Woodson" center, which would serve "mostly low income persons" of Omaha. Articles of

this year portray the Franklin Credit Union through the eyes of Larry King, as "self help that works." Exemplary of this motivation is the credit union's selling of food stamps. Popularity of the program at the credit union was so high that "food stamps had to be dispersed by police."

In 1975, the Franklin Credit Union becomes financially stable as donations and member "deposits at the 6 year old credit union total \$250,000, assets total more than \$300,000, and individual loan limits are increased from a previously lower limit of \$2,000."

The setting described by The World-Herald personification of the Franklin Credit Union is positive. Article recreation portrays the setting of the credit union as a community "bedrock organization," supporting the north and south Omaha areas with consumer services that range from providing beds to providing food. Managed by Larry King, the union was "dependent on donation and private membership," as opposed to government funds. In 1975, the union became financially stable; it was able to expand its lending area and services to its organization, and provide a new location to its customers.

Persona:

Due to the amount of time involved in the present examination and large number of people involved in the

credit union, this study examines the persona of the major actor in the Franklin drama, Larry King.

Sampled World-Herald text revealed that early articles from 1969 through 1979 depict Larry King as the most prominent persona in the Franklin Credit Union drama. Portrayed during these years as the executive manager of the union, articles between these dates attended to the taking over of the union and the union's poor state of affairs when King took over. Articles during this period state King's successful efforts to save the union. Articles highlight the union's growth due to King, services King put into action at the union, future goals of the union according to King, and finally, the union's successful achievement of these goals under the direction of King. Articles emphasize the organized effort King was making to provide needed services to Omaha credit union members and the great success King was having meeting goals set for the future of the union. Articles had a tendency to remain fact oriented; however, facts mentioned between the years of 1969 through 1974 presented King as a humanitarian. The structure of articles these years, set foundations using supportive facts personifying King as a humanitarian.

Concordance results support this persona recreation of Larry King between the years 1969 through 1975 with text lines 1 through 12 (see Appendix D, p. 187).



The World-Herald recreation of text lines

1 through 12 reads:

Articles in 1970 describe King as follows: "King is the manager of credit union" and "King, 25, of North Twenty-Eighth Avenue was with The First National Bank before" joining the credit union.

In 1972, King commented on the state of the Franklin Credit Union: "Frankly, there were some rough spots at first, but we believe our track record is now good."

In 1973, "the union paid its first annual dividend. King said the union now has \$60,000 in deposits from 1,000 investors and 127 in capital. By the end of this year, King said he would like to reach \$200,000 in deposits." In the same year, the union conducted a survey that rated services in the north Omaha area. The survey "rated good will." A list of highly rated services will "be distributed to the public. King said lists of those services rated bad will be compiled but not distribute for fear of libel suit. King said the survey will ask for an evaluation" by service users who frequent the credit union. King "urged that consumer education classes be started. King said the credit union will begin opening Saturdays."

King "said next year's goal is \$300,000. He plans to seek large deposits" to reach this goal. "The union says manager Larry King is negotiating for two branch offices. We

commend king and his co-workers for their constructive efforts."

"In 1974, Larry King, manager of the Franklin, becomes a member of the Omaha Utilities Task Force." The organization tries "to help persons with utility bill problems."

Articles portray Larry King between the years of 1969 and 1974 as a man with definite goals and purpose. King was portrayed supporting his community by actually reaching the goals he set for the growth of the union. King is portrayed during these years as a person looking out for the well-being of the Omaha community and its members, and as contributing to the betterment of the community through the success of the union.

The two concordance text lines of article coverage between the years 1975 through 1980 represent a change in article focus. Articles during these years focused on the union as a whole, as opposed to King and the union as separate entities. The article in 1977 attended to King's plea for donations. Emphasis in this article only portrays King stating the union's desperate need for donations. Article representation of the union's need for help did not tend in any way to suggest King was negligent. Articles portray only a solicitation for funds. Article structure supported King's continued positive portrayal during these

years by stating what the union needed, why they needed it, and how community members could provide support.

Concordance results support this persona recreation of Larry King between the years 1976 and 1980 with text lines 13 through 15 (see Appendix E, p. 188).

**The World-Herald recreation of text lines**

**13 through 15 reads:**

In 1977, "King said the credit union badly needs donations." He said they're having trouble with bills at the credit union. King said donations to the utility fund may be sent" directly to the credit union.

Coverage of King in this 1977 article exemplifies a change in article focus by being the only article during a five year span to reference King. The article does maintain previous article personifications of King as a humanitarian.

Article coverage between the years of 1981 and 1986 again highlight the change of focus World-Herald articles had in covering the stories related to King and the union. Article coverage only represents the year 1981. However small the number of articles referencing King during this time frame, his personification is a glorification of his humanitarian persona. King's personification in 1981 attends to King's survival instincts, his continued commitment to the betterment of the Omaha community, his dependence on his employees, his success at developing the

union into a "bedrock organization" in the Omaha community, and finally, the success of King's other businesses. Articles **emphasize** where the credit union was when King took over and where King had put it during the years he managed it. Articles had a tendency to portray King in an aggrandized way. Article structure suggests at this point that King is a hero. Article structure repeatedly states ways in which King can easily be portrayed as a hero.

Concordance results support this persona recreation of Larry King for the year 1981 with text lines 16 through 35 (see Appendix F, p. 189).

The World-Herald recreation of text lines

16 through 35 reads:

In 1977, "King said the credit union badly needs donations. He said they're having trouble with bills at the credit union. King said donations to the utility fund may be sent" directly to the credit union.

Articles told this story about King in 1981: One day, "a man walked up to the counter, stuck a pistol in King's stomach, and demanded money. King's adrenalin started" pumping. He told the man to put "the weapon aside. 'Don't you ever point a gun at me,' King yelled. A tongue lashing followed. By his own admission, King, 36, is an impatient survivor."

The union was established for "the betterment of the underprivileged of Omaha King said. Franklin is a helper not a leader in the community. In fact, King deplored self-appointed leaders. King depends upon the employees to run the business. King is director of volunteer services for United Way. Wife, Alice P. King, and son, Lawrence E. King, III," make up the King family. The Kings make many "contributions to the community."

The Franklin Credit Union was one of "the few still in operation in August of 1960. Larry King, 25, working at First National Bank, got a call from" Wead. Wead "is employed by a Chicago foundation. Wead asked King to take over at Franklin. It would be a one man" job. King took the credit union over "with outstanding loans." He had "to start paying them off. King, the son of Pancho and Vineta King, former north Omaha laundry owners," had quite a hall in front of him to put the union back on its feet. "The auditors showed up two minutes after King got to work. The main problem was that no record had been kept of financial records, the union lacked "organization, plus, there wasn't any money to run things. King said, "Simply speaking, I put things in order.'" He "invited people in to see the Franklin story. At work, King didn't put in many eight hour days." Often King would start at the union at 6 a.m. and not finish until 10 p.m. "Harold W. Anderson, to the World-

Herald, said Larry King and the credit union under his direction are most worthy of community support. Larry has provided the leadership which has made this a success in the community.

"Some thought Franklin was a federal give away program," but the union actually receives no federal funds.

"King remembers the turning point in his life. It was a cold day, and an 11 year boy walked in to get warm. King said, 'I asked if he was going to school; he said no.'" When King asked the boy what he was going to do when he grew up, the boy responded that he did not know, but that he sure wasn't going to be the manager of a credit union. From that day on King upgraded his lifestyle.

"The counseling services at Franklin have paid handsomely and King catering is doing well. We can't handle all the business. King said his catering business got started because my wife and I love to cook and to entertain."

"King has never lost his faith in god."

Article focus during this time frame highlights the actions of the union as an entity, including Larry King, personifications of King from this time frame greatly support King's personification as still being a humanitarian and hero.

Sampled articles dated from 1987 through 1990 pay close attention to allegations made about Larry King, his past accomplishments in the union and community, the number of people he gained support from during the time he managed the union, and finally, the trust the community and specific individuals had in Larry King before allegations of his personal deceit using the union as a backdrop. **Emphasis** in these articles is on how King went from humanitarian to criminal based on allegations of dishonesty, money theft, and sexual abuse reported by the World-Herald. The tendency of articles during this time frame was to reference King as the past manager of the credit union, who fraudulently diverted funds from the union for his own business and personal use. Articles during this time frame also tended to portray the disbelief of community members that facts personifying King as anything but a humanitarian were true. Community references during this time present a paradox between how King was regarded by the community and who he actually was when his community deceit was revealed. The structure of articles presented during these years, once again, the former goals and achievements of King that portrayed him as the community humanitarian. Articles touched with this past representation of King were then overwhelmed with facts that supported a new personification

of King as a villainous character who stole, lied to, and bewitched the Omaha community.

Concordance results support this persona recreation of Larry King between the years 1987 and 1990 with text lines 36 through 310 (see Appendix G, p. 191).

**The World-Herald recreation of text lines**

**36 through 310 reads:**

In 1988, articles stated that a "million dollars in credit union funds are missing. King is a target of a federal criminal investigation." Articles cite community members saying "he and others have been duped if charges against King are substantiated; the most shocking example of being" cheated. "There has been a sort of media lynching. Certainly, Larry King and his friends must feel that way." Andersen "has had a friendly civic relationship with King but did not consider him a social friend. Andersen said he was aware that the Kings had an up scale lifestyle but he said he believed King had legitimate sources of income other than his" salary at the Franklin. "King is president of CSO and manager of the credit union. King has remained as executive director since July of 1970 when he took over at the union."

"King computer is misread; credit union is missing funds." King claims "there are no unrecorded CD's. King



said federal authorities may not understand" computer records.

"We just didn't have a person like Larry who would get out and sell the credit union. Wead said King has been the key man in developing Franklin."

The National Credit Union Administration "Board filed a \$34 million civil lawsuit against King alleging that he diverted the money for his" personal and business uses. "Union executive lived well, records show. In Omaha, Lawrence E. King, Jr. drove a new Mercedes. Federal Authorities moved to freeze King's assets in the wake of a \$34 million lawsuit. After Mardi Gras, the World Series, [and at his] Dallas south fork ranch, King and offered to provide a cocktail party and dessert." Contrary to his currently high profile, "as a 14 year old In Omaha, King took out the garbage and did chores at the Blackstone hotel."

"At 44, King is struggling to defend himself against allegations." Known to the community as a "union miracle worker, federal regulators accused King last week of diverting money from the Franklin" Credit Union. "The National Credit Union Administration said King kept a second set of financial records. More than \$33 million in certificates are missing from the credit union. King allegedly used the money to pay for limousine rides. King

would not be interviewed for this story. Friends and associates painted King in a different light, to them he is generous." A "member of Calvin Memorial Presbyterian Church, where King is an elder, [said], 'we've always held the family in high repute and Larry King, too.'"

"The credit union was struggling when King came on the job in July of 1970. King enlisted help from local churches. King ventured into other fields of business. Last fall, King bought Cafe Carnival at 7555 Pacific St."

"King used to be partial to Chevrolet Corvettes. King usually wears two or three rings, including a pinky" ring. "Records filed in U.S. District Court indicate that King spent \$19,769 at Landons clothing store. King's eight year old son, Prince, sported a diamond ring. King has explained his spending as part of being a role model for young blacks. In a 1985 interview, King recalled that a 10 year old boy told him that he would never be the manager of a credit union. 'You're crazy,' the youth told King. Several friends of King repeated the anecdote."

The Kings contributed time to the Camp "Fire Girls, Head Start, and the Salvation Army. King also represented Calvin Memorial Church."

"Prince, formally known as Lawrence E. King, III, attends the private Brownell Talbot School. Friends and co-workers said King goes out of his way to offer assistance to

people. He's got a big heart. Taped for television, an accomplished baritone, King, sang the national anthem at the 1984 GOP" conference. "At the Republican convention in New Orleans, King orchestrated a party for about 1,000 people. Larry has a pretty high profile in Washington. King was in town perhaps twice a month for several days." King was a "good tenant said his landlord in Washington. He kept the house immaculate. King hired a house keeper to take care of the house. He liked the house to be watched. She said King moved out early last week without telling her. The move was prompted by King's attorneys [who] suggested that he should cut his" assets. "About the same time as the Washington move, the Kings transferred ownership of their Ponca Hills property, which changed hands for \$39,000. It was intended to pay King's legal expenses. The transfer took place Monday. Kings assets are frozen. Besides his Omaha and Washington residences, King has maintained apartments at various other locations. King traveled as often as weekly, mainly to Los Angeles, Chicago, New York, and Washington. The employees said King usually had an entourage of five to ten people. Kings favorite hotels include The Ritz Carlton and The Beverly Wilshire where King was considered a frequent guest." In a "chartered jet, the party generally flew first class. King recently has used Executive Jet Air, a charter" jet company. "Firms such as KMA Air received

\$44,952 from King from June through December 1987, court" records show. "Gail Holmes would not give details of King's limousine bills for ground transportation." King "co-owned The Showcase Lounge before selling it to King."

"Some people, including his friends, wondered how King could live so well as manager of the relatively" small credit union. They thought King had won a "lottery. Several people speculated that Alice King's family in Jamaica is affluent and had provided money to the Kings. More than \$46,000 in checks were deposited in King's checking account at Omaha National Bank."

"Takechi said he finds it difficult to believe that King has done anything wrong. 'I hear all the evidence,' he said. 'I haven't talked to Larry,' said Takechi, 'its very confusing.'"

Others "said they are fascinated by King's prolific entertaining. It isn't that King's parties were particularly opulent, but the fact that King has held such events so frequently."

"A \$34 million law suit against King is pending in U.S. District Court." The suit alleges King was involved in a series of fraudulent dishonest and illegal acts. King must turn over all his real assets and personal financial records. Frederick, holder of the King properties, may lease all the real estate except King's home and may collect

the rent." Officials have been trying "to reclaim furniture and other belongings that King sold or removed recently from his rented home. Frederick was also instructed to take possession of King's jewelry, including a gold watch valued at \$65,000, deposits and credits that might be held by King both in Nebraska and elsewhere, [and] any assets that might be held by other people for King's benefit, according to the court order. King co-operates a catering business and a restaurant. A restraining order preventing King from disposing of any of his property."

"Ex-chief of credit union denies diverting money. In a one page document filed in U.S. District Court, King asked that the court dismiss a civil law suit filed" by the NCUA. "In a separate document filed Tuesday, King asked for a jury trial. Attorney William Morrow signed King's response, which generally admitted only general" information about the credit union case." "The federal agency acknowledged that King was Franklin's treasurer and manager."

"King's cafe remains open."

"The NCUA has accused King of diverting the money from the Franklin Community" Credit Union. "King was manager and treasurer of the credit union."

King said he wished to end "erroneous impressions that Cafe Carnival is closed. King wrote [that] the negative publicity has caused a drop" in patronage at the restaurant.

"King was frivolous; unreasonable without foundation." The NCUA "filed a \$34 million civil law suit against King, former chief executive of the failed Franklin Credit Union. The lawsuit alleged that Franklin under King's direction sold certificates of deposit, but did not record them on the credit union's books. King later used the money on personal and business" expenses.

Officials want to "disqualify Erickson and Sederstrom from representing King because the firm has handled Franklin issues in the past. The NCUA filed its lawsuit against King in its role as Franklin's liquidating agent. The Erickson and Sederstrom firm has represented King for more than three years."

Media coverage of the Franklin failure "has harmed businesses owned by Lawrence E. King, Jr., former Franklin Credit Union manager. The businesses [are] Cafe Carnival, Showcase Lounge, King Co. and Catering, and AKASAKA restaurant."

"Allen Furniture filed a lawsuit Tuesday alleging that King had not made the December 1 payment due under a 1985 installment payment plan. The store contends that King still owes \$26,005 under the contract. Lawyer Keith Frederick was given control of King's assets last month by U.S. District Judge. Lawrence E. King, Jr. was chief executive officer of the failed Franklin. The NCUA's \$34

million dollar lawsuit against King mentions an 8888-1 account, an apparent reference to" a secret account King kept for himself.

In 1989, "Franklin's chief executive, Lawrence King, has denied the allegation. The Franklin memos, some of them addressed to King, were used as exhibits in King's deposition."

"King had [a] home in Washington. Journal describes troubled flamboyance of King. He is portrayed in a page one story. The journal says King has been accused by [a] federal agency of plundering. Betrayed for years, the burly credit union manager, King, preached a bootstrap philosophy with much appeal" to the north Omaha community. "King was considered a role model in the black" community. "The journal says it appears that Mr. King was adept at spinning an engaging tale."

King claims he "reimbursed the institution for the expenditures. Mr. King says he did not steal anybody's money. The article discusses at length King's rise from a waiter for a hotel in down town Omaha." Community members were "enthusiastic on their support of Franklin and Mr. King. Franklin appeared to thrive and so did Mr. King. Omaha civic groups showered him with honors."

A local restaurant in Omaha once "featured a 26 ounce slab of prime rib called Mr. King's cut. King also became a

fund raiser and contributor" for local Omaha organizations. The journal says King's lifestyle started to raise questions in Omaha."

Rogers "was a friend of and received gifts from Lawrence E. King, Jr., chief executive of Franklin, said Douglas County Sheriff's Captain, Robert Tramp. King bought presents for him Tramp said and partied" with him. "The King/Rogers connection was severed" by King. One "young man said King's young friends were usually white and in their 20's." There were more than a few for "whom King bought gifts and on whom he bestowed favors. The young man said King had leased them apartments [and] rented them cars. Another of the men said he once accompanied King on a private jet to Los Angeles just to purchase a \$23,000 crystal chandelier for King's house on River road. The man said their limousine driver was flabbergasted by the purchase. King said the comments of the men were junk. King is alleged to have improperly diverted at least \$34" million dollars from the Franklin Community Federal Credit Union. "`There was a social relationship between Rogers and King,' said Bruce Barnard, owner of the Max Dance Club. A November 20, 1986 letter, signed by Lawrence E. King, Jr. and addressed to Rogers' survivors, described Rogers as an employee of King and expressed condolences for his death." Hanson "said Rogers was acting weird. The two argued over



King. Hansen said, "I said I didn't like him seeing King." Hansen said, "he said he'd see Larry one more time."

"Difficult to believe that Franklin's chief executive, Lawrence E. King, Jr., and those involved with him could have spent \$39 million dollars. "The lawsuits alleges that King diverted Franklin funds for his personal" and business use.

"He said the lawsuits would even prevent King from selling or copyrighting the story. Fenner said the possibility that King might try to sell the story was one of the many rumors."

"Lawrence King, Jr. said he financed his own affluent lifestyle. Larry King is the target...right now my main concern is clearing my name of this alleged taking of funds. King, a Republican, contributed more than \$37,000" to various organizations. "King asked the Omaha World-Herald to stop writing. King said lifestyle was due in part to his catering" business. "I think the rumor was out that Larry King had a high lifestyle. Lawrence King, Jr. [was] chief executive of the Failed Franklin Community" Federal Credit Union. "Lawrence King, Jr. could not be reached for comment. The lawsuit alleges that King fraudulently transferred funds from Franklin" for personal and business uses. "King was not active in the national group for credit unions." A \$34 million dollar lawsuit against Franklin

manager, Lawrence E. King, Jr., has been filed, as well as lawsuits against King's wife, Alice, and his son's trust fund. King donated \$25,350 to aid lobbying group. A \$25,350 donation made in 1987 by Lawrence E. King, Jr. placed him among the largest contributors. King's \$25,350 donation qualified him for the founders club. His name doesn't appear on the 1986 donation list. King made other gifts to Citizens for America, but none as large as the \$25,350. Divine said King's donation was easily his largest to a political organization. "Grand jury in Omaha alleged that the Kings and others conspired from July 1976 through last November when the union was closed.

"Attorneys for the Kings waived the reading of the 26-page indictment. Accusations of child abuse allegedly involve Lawrence E. King, Jr., Franklin's former chief executive. Mrs. Harvey said I am sorry that Larry King cannot face up to what he has done and be remorseful."

"Mrs. King was charged with 12 counts of conspiracy, wire fraud, and bank fraud. The King's pleaded innocent in all \$38 million in Franklin."

"Mrs. Harvey said she thought the Kings' lifestyle was a bit much. She said she talked to King about it from time to time without success."

"Jury indictment says while the King's were spenders, the Harveys were collectors. Mrs. Harvey said, 'I still

believe that Larry in those days was a very sincere person. I trusted Larry. We never held a board of directors meeting.' Larry made all the decisions, stories conflict. King made all the decisions."

"King has told a different story. King directed Mrs. Harvey to falsify documents." A "special hearing to target [the] quality of King probes started. The quality of investigations into reports to" be reviewed. "Attorney General's Office to investigate reports that King was allegedly involved in child abuse. The probes were attributable to the fact that Mr. King was somewhat influential. Schmit said King's alleged influence was cited earlier this month. Top political and business leaders supported King and Franklin. It was in an atmosphere of influence."

"Hobbs said he had a personality conflict with King and that relations were strained." He didn't think anything of the "alleged improprieties involving King until recently when federal investigators began" investigating the failure of the Franklin. "Fenner said a Federal Grand Jury has indicted King, 44, former Franklin manager and treasurer, on 40 counts of bank fraud, conspiracy, and other crimes. King's wife was indicted on 12 counts."

"Supporting the extravagant lifestyle of Mr. King and others was a fraudulent scheme, the lawsuit said; the

embezzlement and tax evasion trial of Lawrence E. King, Jr., manager and treasurer of the failed Franklin. King was indicted in May on 40 counts of conspiracy fraud. Larry King denied involvement. A Federal Grand Jury indictment involves child abuse. King has pleaded innocent to the charges. Judgment means that creditors could seek their money from King's assets; however, they must stand in line with others also seeking a share of King's assets. "It's not a short line," Quandahl said. King and his family are defendants in lawsuits" for \$34 million in debt. American Express contended in its lawsuit that King failed to pay \$102,585 in credit card charges."

"Franklin's former manager, Lawrence E. King, Jr., faces 40 counts of fraud and federal income tax evasion." King is accused of going on "vacation and taking the money from the 8888-1 account." King tells court FBI requested records of Franklin. King testified Tuesday in Federal Court." The National Credit Union "Administration filed a \$34 million lawsuit against King, the suit alleges that King used some Franklin funds" for his own personal and business use. Starting in 1990 articles, "King's lawyers asked for a second postponement of the trial of Lawrence E. King, Jr. on conspiracy, tax and fraud, charges growing. King was named in a 40 count indictment handed up." His wife, Alice Ploche King, was named in 12 counts of conspiracy and fraud." In

"a hearing before U.S. Magistrate, Richard Kopf, King was indicted on 40 counts of conspiracy and fraud."

"The hospitalization of Lawrence E. King, Jr. for mental evaluation" was reported.

"Turning over the records, Achelpohl noted that King was absent from the hearing and said that King had not given up his right to attend the session." Lawyers refused to turn "the records over because they are covered under King's constitutional right against self-incrimination."

At "the start of King's trial on 40 felony charges, King is accused of conspiracy, fraud, and federal income tax evasion. As Terry Weise recalls, living with Lawrence E. King, Jr. brought one sumptuous party after another." King bought him "expensive gifts, but Weise, who said he was King's homosexual companion in the mid 80's, said he never saw any King involvement in sexual activity with minors. Weise in the mid-80's was a steady companion of King, former chief executive officer of the Franklin Credit Union which failed in 1988."

"King, 45, has been indicted on 40 counts of conspiracy. King [has] lavishly spent."

"King was tested, showing everybody, Weise said, King may not be totally fit to stand trial. A downtown limousine firm in 1983 said King, who liked limousines, took a fancy to the handsome driver. In 1984, King and his wife,

Alice, hired Wiese to live in. By then, Wiese asserted he and King had become regular sexual partners." In "1984 when Wiese accompanied the family to Jamaica, King accused Wiese of being unfaithful to him." After that "King kicked Wiese out of the house. In May 1985, King bought Wiese a ring and offered to set him up in an" apartment. "King took him shopping for furniture and a car. To celebrate the renewal of their relationship, King threw a party for Wiese at the Cornhusker hotel in Lincoln in February 1986. King put up 40 of Wiese's friends in rooms at the hotel. He and Mrs. King became friends. He said he knew King would never leave his wife. He had begun two- timing King because he suspected King was cheating on him. During his time with King, he said the life was exciting and glamorous. He says he hates King for it, "he screwed up my life."

"The salvation army has denied an application by [the] Lawrence E. King, Jr. family for assistance in paying a \$455.17 gas and water bill because the Kings' income could not be verified. The decision on whether to grant assistance to the Kings was not influenced by public pressure." We have heard on "the phone from people opposed to providing assistance to King, former manager of the Franklin Community" Federal Credit Union. "Other calls have supported helping King."

"King is transported to Minnesota. Marshal Thomas Ohara said King was transported by car and under guard. King was mentally incompetent to stand trial. King is expected to undergo therapy. After being returned to Omaha, March 18, King was held at Immanuel Medical Center. King, who faces 40 charges growing from failure" of the Franklin Community Federal Credit Union, was found mentally incompetent [on] Tuesday to stand trial. The Kings were to have faced trial June 4. An expected four month hospitalization of Lawrence King for mental treatment is expected to delay" the trial. "The name of the man who allegedly black-mailed King was bleeped out in the WOWT program. Investigator Gary Caradori asked why King had agreed to give the man money." Officials expect "King to have an April 19 hearing. The Kings were to have faced trial June 4. Trial for King and wife might go to North Platte."

Some "said at the hearing that publicity about King has been massive, inflammatory, and prejudicial. King not present, Mrs. King attended Monday's hearing. King faces 40 counts of conspiracy and fraud." His "wife faces 12 counts of conspiracy and fraud. The Kings were indicted last May by a Federal Grand Jury."

"This month, a synopsis of Kings tale, it began as a one act docudrama that centers around" King. "Article about

King of Omaha described King's flamboyant homosexual lifestyle. Requests from both Kings' lawyers to move the trial out of Nebraska."

"King is in a federal medical facility in Rochester, Minnesota. Officials say King moved as reported. Information has been received that Lawrence E. King, Jr. was not moved on April from Immanuel Medical" Center. "U.S. Marshal, Thomas Ohara, said King was transported to Rochester, April 4, as reported. The Rochester facility is to report whether King has improved enough to be tried." The Rochester facility was "given King to clear up any public concern that King might be psychologically manipulated. Treatment in Minnesota requested. Lawrence E. King is incompetent to stand trial on 40 felony" charges. "Kopf said his determination of King's incompetency was based on reports provided by two" psychologists. "Dr. Dysart diagnosed King as suffering from probable delusional paranoid. The magistrate recommended that King be kept in federal custody. King has contended that he is competent to stand trial. In his findings, Kopf said that King is suffering from a mental disease of defect." Doctor reports "showed that during prolonged interviews of Mr. King and during prolonged questioning of Mr. King, the intellectual support of the grandiosity of thought processing which gravely impairs Mr. Kings abilities to testify. Except for



the statement of Mr. King that he is competent, there is no evidence" that he is. "An offense against justice, charity, and community, King attorneys seek to suppress evidence. William Cambridge, the judge assigned to try the King case, can accept, reject, or modify recommendations. King faces 40 counts of conspiracy and fraud. Mrs King faces 12 counts of conspiracy and fraud."

The jury "found no direct connection between Baer and King or the Franklin Credit Union other than limited" social engagements. On counts of "financial failure, the grand jury said King was indicted by a Federal Grand Jury last year. It is difficult to understand how King could live a lavish lifestyle for many years." The jury stated that if the "Chambers did have such knowledge or suspicion of Kings misbehavior, they should have explained to the public why" it was never brought to their attention. The jury said he knew "after it became too late to prevent or inhibit King's wrongdoing." Rumormongers flourish.

NCUA has filed \$34 million dollar lawsuit "in charges of unsafe and unsound practices by Lawrence E. King, Jr., Franklin's top officer, contending he diverted" funds for his own personal use. "King denied allegations, November 18, 1988. Lawrence E. King, Jr. drove a \$69,300 white Mercedes. Although many People in Omaha had believed King's businesses and his wife's family in Jamaica provided the

Kings with wealth to support their lavish lifestyle," in actuality King was spending Franklin funds for his amenities. "In a World-Herald interview, Lawrence E. King, Jr. acknowledged that Franklin kept two sets" of books. "A Federal Grand Jury charged Lawrence E. King, Jr. with 40 felony counts. The King family spent \$10.2 million in Franklin funds." In a "grand jury indictment, May 24, 1989, Lawrence E. King, Jr. and his wife, Alice, pleaded innocent to the jury's charges against them."

"U.S. Magistrate, Richard Kopf, ordered Lawrence E. King, Jr. to undergo a mental competency exam to determine if he was fit to stand trial. Two psychiatric evaluations indicated that King was incapable of cooperating with his attorneys."

Rogers says "parties and trips to Caribbean Islands while he was King's homosexual companion in the mid 1980's" were a regular part of his lifestyle, but he never saw King involved in sexual activity with minors."

"Kopf made a preliminary decision that Lawrence E. King, Jr. was mentally incompetent to stand trial. U.S. District Judge, William Cambridge, asked that King be taken to the U.S. medical facility. The center was asked to report on King's condition after four months, March 30, 1990. U.S. District Judge, William Cambridge, ruled King was mentally incompetent to stand trial."

One young man said "that when he was in his late teens, two Omaha men, Lawrence E. King, Jr. and Alan Baer, paid him for sex." There were "instances of forcible sex and he said he saw King and Baer and several other prominent people in Omaha. Lawrence E. King, Jr. was chief officer of Franklin Credit Union." Then the youth told a "jury: he was never the victim of sexual abuse. Indictments occurred in May 1989 against Franklin executive, Lawrence E. King, Jr., his wife, Alice, and three Franklin" employees for "alleged illegal activity associated with Lawrence E. King, Jr. and others associated with the credit union. Jury found probable cause to believe that Lawrence E. King, Jr. solicited men in their late teens for illicit sexual activity. From very early on, Mr. King has denied the allegations of homosexual activity."

"If probable cause existed to indict King, the grand jury should have done so" say articles in 1990's. Charges of sexual abuse are said to not be "directly related to the Franklin Credit Union or Larry King. Many alleged happenings involved children in foster care."

"The grand jury reported that Troy Boner and Danny King possibly perjured themselves before the grand jury."

"Lawsuit alleging [the] sexual assault [of] James Daniel King of Omaha filed suit, Tuesday, in U.S. District Court. Pamela Vuchetich, a Lincoln attorney who represents

King, said she hopes that the lawsuit encourages other" abuse victims to step forward.

"Crafted hoax, Mrs. Vuchetich said that although King made up parts of the story he told, the stories should be investigated. He lied in telling stories of sexual abuse King and his attorney, Pamela Vuchetich of Lincoln said. The other two, Troy Boner and James Daniel King, told the grand jury they lied when they told" of sexual abuse. "The grand jury testimony of Troy Boner and Danny King, alleged victims of sexual abuse, recant their story."

Contrary to earlier years, articles between the years of 1987 and 1990 do not support King's previous World-Herald personification as a hero. Rather, they portray King as a villain who practiced deceit against members of the Franklin Credit Union and the Omaha community at large.

#### Plot line:

The next category of analysis is the category of plot line. Sampled articles identify once again in the plot line of the Franklin drama, the action of the events as text elements supported by strong attention, emphasis, tendency, and structure, within the context of key list terms analyzed. The plot line of the Franklin Credit Union exhibited article trends of natural groupings. Each group

was marked with depictions by the World-Herald of specifically attended, emphasized, tended, and structured actions by the union.

Articles dated between 1969 and 1975 depict the union's establishment and statement of purpose. Attention in these articles was placed on the start of the union, the where, when, and by whom aspects of its establishment, and detailed descriptions of the union's function within the Omaha community. Articles between these dates **emphasize** the importance of the union's establishment based on the needs of Omaha as a community and the union's impact on these needs. The tendency of articles between 1969 and 1975 was to be very fact oriented, projecting the union's actions as value driven and positively oriented. Article structure, between 1969 and 1975 depicts the union as established and expected to have a lasting impact on the Omaha community.

Concordance results support this plot line recreation of Larry King and the Franklin Credit Union between the years 1969 and 1975 with text lines 1 through 38 (see Appendix H, p. 208).

The World-Herald recreation of text lines

1 through 38 reads:

World-Herald articles dated 1969 through 1975 reported the Franklin "Credit Union will move to new offices at 3317 North Thirty-Third Street. Alfred Thomas, executive

director of the union, said "It has about 180 members.'" Articles reported that the "union was formed last January," which according to article dates would date its establishment at January of 1968. World-Herald articles as of 1970 dawn the age of a new union manager. "Lawrence E. King, Jr., 25, is reported by the World-Herald to be manager of the credit union. King, who was with First National Bank was reported as replacing Alfred Thomas," the credit union's former executive director.

Articles dated in 1970 cite background information about the union's services and serviced areas under management of Larry King. "The credit union is open to persons living in the area bounded by Cuming and Bedford Avenue. Money saved in the credit union earns interest." Articles reinforce the importance of the union to the community by referring to the credit union as a "bedrock organization."

"In January 1969, the Franklin Community Credit Union began with total assets of \$127.50." In reference to the meager beginning, the Franklin had World-Herald articles set the stage by positively portraying the union. Articles start by stating "the credit union, herein referred to as Franklin, is in the business of making small loans to pay for aid to dependent children and beds for families. The union sells food stamps." Articles express concern that

"the credit union name may be misleading," reminding readers that the union, even though named the Franklin Federal Community Credit Union, "is not a government sponsored agency." Loans and organization services are dependent on donation and private membership to the union.

As union donations and membership grew, World-Herald reports dated in early 1973 reported that "the credit union has paid its first annual dividend. King conceded the credit union is pleased at the dividend. King said the union now has \$60,000 in deposits from 1,000 investors. The dividend is the first in the union's four year history." Articles once again remind readers that "when the union started, it had 29 investors and \$127.50 in capital" and reported "the union would like to reach \$200,000 in deposits."

Continuing in the same year, World-Herald reports highlight the "union administration's authorization of Franklin to lend money to persons living or working in the union's bound areas." Now the credit union could act not only to serve the small area of its bound coverage, but could also reach those in need outside this limited area. "As deposits grow, the credit union will now be able to expand its lending area."

Articles in 1973 cite the union's "dividend as comparable to that paid by other credit unions and

other financial institutions." However, in the case of the Franklin Credit Union, "the dividend is notable because the union only charges one percent interest and the union's delinquency rate is 5 percent a loan."

Also, in this year, "the Franklin Community Federal Credit Union plans to begin a survey of low income" credit union members. The World-Herald reports that "King said persons coming into the credit union at 1723 North Thirty-Third Street will be asked to fill in a survey." The "survey will ask for an evaluation of the credit union's services." World-Herald articles reveal that "the credit union itself got generally high marks. Participants in the survey want the credit union to open every Saturday" and the union to provide "consumer education classes." The union will do both for its members.

1974 is another reported growth year for the credit union. "Dividends are reported up at the Franklin. King said the union hopes to establish a south Omaha branch at Woodson" center, which continued to serve "mostly low income persons" of Omaha. Articles of this year portray the Franklin Credit Union through the eyes of Larry King as "self help that works." Exemplary of this motivation is the credit union's selling of food stamps. Popularity of the program at the credit union was so high that "food stamps had to be dispersed by police."



In 1975, the Franklin Credit Union becomes financially stable as donations and member "deposits at the 6 year old credit union total \$250,000, assets total more than \$300,000, and individual loan limits are increased from a previously lower limit of \$2,000." Articles to this date cite the credit union having outstanding "loans of \$200,000" to credit union members.

The plot line described by The World-Herald between 1969 and 1975 of the Franklin Credit Union is positive. Article recreation portrays the actions of the credit union as supporting the needs of the community. Consumer Services Organization offered services that ranged from providing beds to providing food. Union management was going well, as dividends were reported up for the quarter managed by Larry King, and the union was reported to be financially stable.

World-Herald articles from 1976 to 1981 continue to highlight the actions of the credit union. Attention in these articles is placed on the development of counseling services for credit union members through the Consumer Services Organization, the receipt of an organization grant to fund counseling work by the union, and finally, on the union's desperate need for donations. Emphasis in these articles is placed on the union's inability to keep up with the community demand for services, even though it has expanded and received grant funds. Articles between these

years had a tendency to portray the union as a community helper turning to the community for support. The structure of articles between the years of 1969 and 1975 establishes the union as a service trying to meet the needs of a very needy community. Article structure suggests that a community need so large could only be met by donations from other community members. The structure of articles does suggest that the union badly needs money. It does not; however, suggest that the need, if not met, would reduce the services provided by or close the union.

Concordance results support this plot line recreation of Larry King and the Franklin Credit Union between the years 1976 and 1981 with text lines 39 through 51 (see Appendix I, p. 210).

The World-Herald recreation of text lines

39 through 51 reads:

In 1976 the union developed a "fund for utilities."

The credit union began to "provide financial counseling" for its members.

"Michael Healey said persons buying food stamps at Franklin Community Credit Union are being asked to put thumb prints" on record. "Print, so far, is being

used only at Franklin Credit Union, the city's largest distributor" of food stamps, because the union already had a thumb print system as identification for cashing checks.

"Since the credit union had the system, it isn't charging the county extra. A spokesman for the credit union said 'the thumb print system is a protection' against people trying to steal from the union.

The credit union is to receive a grant to help teach budgeting and credit. The Consumer Services Organization, which is affiliated with Franklin Credit Union, has received a \$33,000 dollar grant." The grant "will be used to train low income people in budget planning, use of credit, and other consumer needs said credit union" officials.

"The union has received 60 calls a day, almost double the previous number the credit union's Consumer Services Organization used to get in check requests. King said the credit union badly needs donations." Some organizations "donate \$1,500 a month to Franklin Credit Union." Despite this, the union needs help meeting the needs of the community.

King says, "I hope to be with Franklin the rest of my life."

On Monday the Franklin got 20 phone calls praising them.

The World-Herald depiction of the credit union remained positive and fact oriented between the years 1976 and 1981. The union is portrayed as protecting itself and members against misuse by using a security system to track checks.

The need of the community is portrayed by World-Herald articles between these dates as being met by expansion and the receipt of a grant for educational classes. Yet, while the union is portrayed as attempting to meet the expanding needs of the community, it must turn and ask for donations. The request for donations are portrayed by the World-Herald as a call to the community for support.

World-Herald articles between 1982 and 1987 also continue to depict the credit union as a positive force in Omaha. Article dramatization attends to the continued growth of union services and the opening of a new Franklin building. Articles emphasize the union and King's continued outreach to the Omaha community. Articles during these years tend to remain fact oriented, yet portray the union as the single answer to many poverty problems of the people in its serviced area. The structure of articles does maintain that King had a humanitarian relationship with the community; however, article coverage during these years was sparse.

Concordance results support this plot line recreation of Larry King and the Franklin Credit Union between the years 1982 and 1987 with text lines 52 through 56 (see Appendix J, p. 211).

The World-Herald recreation of text lines

52 through 56 reads:

Article coverage, starting in 1983, cites "Franklin Credit Union is used as a third party to help tenants." The credit union has the members' "income source [sent] directly to the credit union. The resident then signs an agreement with the credit union authorizing the institution to deduct rent."

"King, manager of the Franklin Community Credit Union, is to tour the Kellom Knolls Housing Project."

"Grand opening of the Franklin building 1723 N. 33rd St. The new facility is the main office of the Franklin Community Federal Credit Union and Consumer Services Organization."

Analysis of article text during the years of 1982 through 1987 indicates that the union, its actions, and the people involved with its maintenance brought very little attention to the eye of the media. Article coverage continued support for the credit union and its services by recognizing the union's continued services, King's visit to a housing project in Omaha, and the opening of a new Franklin facility. Articles during this time remain positive and fact oriented.

The onset of 1988 brought with it a new interpretation of Franklin and its actions. Article coverage from 1988

through 1990 attended to the illegal actions of Larry King, his family, the Harveys, and other union members; the diversion of funds, fraud, and tax evasion by the Kings, Harveys, and the union; the lack of attention to union practices by its own board and the NCUA; the personal use of funds by the Kings and Harveys; and finally, the hardship and deceit the Omaha community will/has suffer/ed due to loosing/the loss of the Franklin Community Credit Union. Emphasis in World-Herald articles is placed on the paradox of what the union supposedly was and what it actually was. Articles had a tendency to use the credit union's past actions as reference and its current actions as examples to help explain the paradox. The structure of World-Herald articles dated between 1988 and 1990 was not supportive of the credit union's previously positive portrayal.

Concordance results support this plot line recreation of Larry King and the Franklin Credit Union between the years 1988 and 1990 with text lines 57 through 551 (see Appendix K, p. 212).

The World Herald recreation of text lines

57 through 550 reads:

In 1988, sampled articles report the Franklin Community Federal Credit Union fails. "Publisher Herald Anderson of

the Omaha World-Herald chides NCUA (National Credit Union Administration) over Franklin issues." Andersen says he "doesn't regret his earlier help to the failed credit union." Early articles covered Andersen's rendition of "why he supported Franklin." He said "the credit union was formed in 1968, with the hope that a neighborhood credit union could help residents improve their lives. Lawrence E. King, Jr. joined the credit union as its top executive in 1970." As of 1988, officials who closed the credit union said \$38 million dollars in credit union funds were missing and King is the target" of union investigations. Officials in the case cite that King "wrongfully used at least \$34 million dollars of the credit union's funds. Andersen acknowledged that it will turn out. The NCUA regulated federal credit unions and insures deposits up to \$100,000 per account."

As Andersen's portrayal of the union's events continues through 1988, articles reveal that the last "Franklin audit covered a period ending mid 1984. In an interview, Andersen said he became involved with the Franklin activities when King wrote him in 1980. Andersen's business influence was used by the union and King to help persuade corporations to invest in the credit union. Andersen agreed" to help the union because he was "impressed by the good reputation which Franklin had gained" in the Omaha community. "Andersen

became chairman of a board formed to generate financial support for Franklin. He stepped aside from that post in 1983. Andersen supported the union" in those ways because he thought highly of the Franklin and so did other business leaders. Articles in 1988 cite Andersen's "examples of political leaders supporting Franklin. Andersen mentioned former Mayor Mike Boyle praising the credit union at the expanded buildings dedication." He says, "Mayor Calinger served on Franklin's board of directors several months last year." Andersen also cites "former Republican, Hal Daub of Nebraska, serving on Franklin's advisory board in 1983." All of the politicians Andersen cited helped the credit union for the same reason Andersen did; they all "shared favorable impressions of the Franklin Credit Union and the job it was doing under Larry King.

Andersen felt the "Franklin King story had received extensive coverage." Andersen said he thought King "had legitimate sources of income other than his credit union salary." He, Andersen, "saw nothing obviously inconsistent" with King's lifestyle and his income.

As articles continue in 1988, "the city rejects the credit union's bid to continue administering a \$6.3 million portfolio for the city planning department." Franklin is ranked "one of the city's largest" credit unions. Director Bob Peters said the decision to reject Franklin's bid to



continue handling the loan program was based on the credit union's past performance. Federal review teams last year criticized the way Franklin handled loan records, for having a lack of current and accurate information in Franklin's loan file." However, articles reveal that regardless of its closing and review status, "The Franklin Community Federal Credit Union got high marks from depositors who came, Tuesday, to withdraw their savings, after the credit union was placed under control of a federal agency." According to members, "the credit union has been a great help to the community. One man said he was dissatisfied with the credit union because he said he was unable to withdraw his money."

In 1988, the union's failure spurs more than "300 Franklin Credit Union members to withdraw money, Monday. Up to \$100,000 is covered by The National Credit Union Share Insurance Fund. For small account holders, even though the credit union is not liquid, the money will be there. The union's temporary office opened Monday. Administration took control of the Franklin, Friday." The union "was designated as a low income community credit union." Now, "an estimated \$30 million is missing from the Franklin Community Federal Credit Union. Franklin administration will begin liquidating the credit union because of the missing \$30 million."

"Information in the failure of the Franklin prompted the involvement of Federal Credit Union Regulators" in 1988. "Problems at the credit union required immediate action by the National Credit Union Administration. The FBI and IRS investigation required seizing the records and assets of the Franklin." Articles report that "the union had assets of about \$2.5 million dollars but potential liabilities of about \$33.5 million. Most of the credit union liabilities are unrecorded certificates" of deposit. "A report by Franklin listed about \$2 million in deposits, including \$1.2 million in certificates. But, in the weeks since Franklin was taken over depositors have filed claims" that exceed registered Franklin funds.

King claims "federal authorities may not understand Franklin's computer records dealing with the certificates. Board is reserving judgment on the allegations and Franklin's future until federal officials provide" concrete evidence. Due to the union's failure, "credit union members now must go to a temporary office."

"Unless a new credit union is started to replace Franklin, there will be fewer financial options" for members of the north Omaha community. The loss of the Franklin is considered a "major blow" to the financial well being of that community. "The credit union was designed for welfare mothers and fathers." Larry King was "hired in 1970 at a

time when the credit union was about ready to fold. Wead said the credit union needed more financial backing from Omaha businesses." According to Wead, the credit union needed "a person like Larry who would get out and sell the credit union." Wead cited King as having "innate marketing skills and the ability to put the credit union front and center in the Omaha community." According to World-Herald articles, the "long term strength of the Franklin, one of its main virtues, is the pride the north Omaha community has been able to take in the credit union. Wead said he did not know if the credit union had strayed from its original grass roots role. Kiles, regional director of the National Credit Union Administration said an informal session is necessary to discuss Franklin's condition and discover whether it will be possible to have another organization assume Franklin's role." In the past, local corporations have backed Franklin because "they felt this was an important service." Credit union probers and regulators say "this is hardly a typical credit union failure, CD problems go back to 1982. Liquidation of credit union has begun."

Liquidation was only started after "finding discrepancies between Franklin's books and the claims of people" belonging to the credit union. "Early in November, the credit union was small. It had about \$2.5 million in

assets. Questions rise as to whether \$30 million is a correct figure on what is actually missing" from the credit union. "Assets of the credit union's manager, Lawrence E. King, Jr., were frozen."

Articles in 1988 state the "credit union was placed under court control when Credit Union Administration Board filed a \$34 million dollar civil suit." According to reports, "\$17 million dollars was not flowing into the Franklin. The credit union had actually loaned only \$1 million to its members." Articles state that "all the money flowing into the credit union was not necessary to run it."

In this same year, "there was interest in forming another credit union for area participants. About 30 people attended the meeting." However, before a new organization can be established, associations the public have of the Franklin need to be addressed. "To straighten out the difficulties left from Franklin, it could take up to 18 months. Based on liquidations of several other credit unions, residents might not want to consider forming a new credit union now because of the Franklin experience."

"King's assets frozen. The credit union executive lived well, records show." King had an "affluent lifestyle which affected his reputation as a credit union miracle worker. Federal regulators accused King last week of diverting money from the Franklin for personal and business

purposes." King "kept a second set" of books, according to a civil lawsuit. "The lawsuit said King would not be interviewed." King claims he "deposited his own money in the credit union and used it to pay the bills."

Rodney Wead asked King to run the fledgling credit union [that] Wead and others in North Omaha had started. Despite help from local churches, the credit union was struggling." King saw the tough times through and "Franklin later formed the Consumer Services Organization."

The credit union's success was not an easy road. Franklin saw some rough times. "To subsidize losses at the credit union and pay Franklin employees, King enlisted help from local churches." Franklin also received help from "national organizations which deposited money in Franklin or made grants to underwrite Franklin."

The credit union and "CSO (Consumer Services Organization) services grew slowly." As the credit union grew, the Kings "upgraded their lifestyle since the early days of the credit union; they moved, owned a Mercedes 560 SEL and another red 1986 Mercedes, all paid for by the credit union." Articles in 1988 covering the lifestyle of the Kings reference the earlier told story of the youth who did not want to be a credit union manager. "If you think I want to be the manager of a credit union, you're crazy." King's "spending habits were far removed from those of his

credit union customers." Takechi said, King "lived so well as manager of the relatively small credit union, I always wondered."

"Agent Dale Bahney requested records from Franklin Credit Union, including nearly 46,000 of Franklin's checks." All financial records belonging to the "executive of the failed Franklin Community Credit Union must be turned over this week to a court." A "district court suit was brought by the National Credit Union Administration. Two other corporations, The Franklin Corp. and Franklin USA, Inc., were not otherwise identified" in the lawsuit. The "lawsuit asks for restitution to the Credit Union Administration of the money King allegedly took. Federal shareholders in the failed Franklin Credit Union can become members of Bell Federal Credit Union." The Bell Credit Union "serves employees at 110 companies from Conagra to U.S. West Communications."

Important details concerning the failure of the union continued in 1988. "The credit union served people who live or work in areas of north or south Omaha. There is no time limit for Franklin customers to withdraw their money. Loan payments and claims should continue to be mailed to Franklin Community Credit Union."

In 1988, articles reported a "legal conflict alleged in the Franklin case. Case lawyers for the National Credit

Union Administration have asked a federal judge to [keep] a law firm from representing Lawrence E. King, ex-chief of the credit union," because they had represented King in the past. "Lawrence E. King, ex-chief of credit union, denies diverting more than \$34 million dollars from north Omaha credit union for personal use. In a separate document filed Tuesday, King asked for a jury trial." In the case of "large quantities of certificates of deposit issued by Franklin, the lawsuit alleges that King used the money for other expenses not related to the credit union. William Morrow signed King's response which generally admitted only general facts about the credit union and federal agency and acknowledged that King was Franklin's treasurer and manager."

Although controversy about firm representation continues, "the law firm has represented Franklin Community Federal Credit Union on a number of occasions and now it is representing King who was Franklin's chief executive when it failed last month." Allegations made in articles dated 1988 continue to emphasize that "King diverted money from Franklin to pay personal and business expenses."

Questions continue in 1988 "over the extent of representation of Franklin. Dederstraom did work both for King and for the credit union and its affiliates. NCUA federal regulators closed the Omaha credit union November 4

and declared it insolvent November 10. 37 million dollars in certificates of deposit issued in Franklin Credit's name will be turned in by owners. The Franklin Credit failure was unusual he said."

Articles in 1988 said people who were affected by the closing of the Franklin were "members who lived within Franklin's defined service areas and individual companies and groups from outside those areas. Companies and groups from outside Franklin's defined areas could purchase Franklin certificates because the credit union was chartered under federal rule. In a 34 million dollar lawsuit filed by The National Credit Union Administration, the NCUA has accused King of diverting the money from the Franklin Community Federal Credit Union. Union lawsuit alleges that Franklin under King's direction sold certificates of deposit to investors but did not record them on the credit union's books. King later used the money for personal" and business uses.

"Some former staff members of the credit union are trying to help former union clients." King claims, "negative publicity about failed credit union has harmed business owned by" himself. "Hundreds of people's livelihood depended upon Franklin Credit Union or Consumer Services Organization, either through employment or through



utilizing Franklin and CSO services." The "CSO provided credit and financial" services.

Article coverage in 1988 reveals "allegations of physical and sexual abuse abounding the investigation into the failed Franklin Credit Union. Board is naming a sub-committee to investigate Franklin. Leonard Skiles of Austin Texas has said that 19 Franklin accounts contained more than \$100,000. Efforts are being made to contact others who lost money with Franklin and coordinate recovery of funds. The NCUA has said it expects to pay 37 million dollars to Franklin's insured CD holders." Again, "union administration alleges that King diverted credit union money for personal and business uses."

Articles in 1988 state that "officials closed the Franklin Community Federal Credit Union, November 4, and that the credit union had not been audited after 1984 because the credit union's officers caused repeated delays." The "law since 1968 has required federally regulated credit unions to conduct annual audits. Administration attorney from DC said if a credit union fails to conduct an audit annually the NCUA's board can suspend or revoke that credit union's charter, and that's the law called The Federal Credit Union's Act. Federal law permits the audit to be made by a credit union's supervisory committee made up of three to five credit union members if the audit isn't done

by a firm. Several officials said they don't believe Franklin's supervisory committee completed any audits. Douglas Goodnight, retained this year to audit Franklin, said he obtained access to certain Franklin files." At least \$800,000 had flowed into one account at Franklin Credit during 20 days in August." Goodnight said the deceit at the Franklin was "computer implemented and operated fraud. I might not have found everything. A properly conducted audit may have uncovered Franklin's financial irregularities. NCUA officials had been aware of Franklin's foot dragging on an audit for years. After closing, the NCUA discovered that Franklin kept a set of secret records showing large CD sales of the \$40 million dollars." Of Franklin funds, a total "\$39 million was hidden." Douglas Goodnight would have advised "the NCUA to take stronger action earlier against Franklin credit, viewing Franklin with hindsight. NCUA staff members had been suspicious of Franklin for some time."

Accountant John E. Vawter said "he did an audit of Franklin for 1982 and a second audit covering a 19 month" period of time. According to Vawter, "most of the now missing funds came into Franklin after the 1984 audit was completed in 1986." Vawter heard from Harvey that "no other representative of Franklin asked him why an audit hadn't been completed. Vawter said he assumed the credit union's

supervisory committee no longer wanted to retain his services. In retrospect, Vawter said he understood why Franklin didn't want him to do an audit after 1984. Some officials said an internal audit was done by Franklin's supervisory committee. Each year the examiners visited Franklin monthly to deal with problems regarding finances. The federal agency's examinations could have caught Franklin's second set of books containing the \$39 million. Franklin's staff used stalling techniques" to keep an audit from happening. However, "the NCUA-Franklin agreement, in which the credit union agreed to obtain an audit, was completed last June." Goodnight said, "At Franklin I thought, here's a 2.5 million dollar credit union with \$1 million a month going through one account.' Goodnight said it is clear to him now that Franklin staff members were using us as a buffer." According to Goodnight "it doesn't make much difference whether Franklin's supervisory committee ever did an internal" audit or not. "Franklin officials would have blown it right by those guys he said. Records were closely guarded by E. Thomas Harvey, Jr., Franklin's director of accounting. Harvey was an expert on operating the computer and was the only Franklin employee who had access to some records." Anyone interested in knowing about certificates had "to go through Harvey alone to get information about Franklin CD's. One employee said

some of Franklin's CD records were available in boxes. Examiners were not allowed to operate Franklin's computer. Because of its closing, the credit union did not provide the records to the U.S. Attorney's" Office.

Final article coverage in 1988 highlights the basic story line behind the failure of the Franklin. Its "chief executive officer appeared to be using credit union money for personal and business expenses. In a lawsuit filed after regulators closed Franklin, regional NCUA director, J. Leonard Skiles, has said that none of the credit union employees contacted the NCUA with that information. Franklin formed in December 1986 as a non-profit organization." A lawsuit contends that "King diverted \$34 million dollars in Franklin Credit funds for his personal expenses."

Article coverage in 1989 continues to surround the investigation of the Franklin failure. "King tells court FBI requested records of Franklin Credit Union and when credit union employees found out that the FBI wanted credit union records, they became concerned that such information would cause a run on the credit union's deposits."

"A dispute between two law firms involved in the Franklin case, the firm of Fitzgerald, Schorr and Barmettler. The Fitzgerald firm represents the National Credit Union Administration in a \$34 million lawsuit filed against King. The suit alleges that King used Franklin

funds for his own personal and business use. Because it represented both King and the credit union, William E. Morrow, Jr. and Erickson and Sederstrom, always advised that the credit union obtain its own separate council Morrow said. He said [that] after the NCUA closed Franklin, November 4, Erickson and Sederstrom told the Credit Union Board it could not represent the credit union because it was representing King." Members of the firm "conducted lengthy interviews with Franklin employees without telling them that the firm did not represent the credit union Robinson said. Erickson and Sederstrom never told the credit union employees that it represented the credit union, except in some limited instances."

"Reaching a decision in the case, official says Franklin credit loss could have been much larger. Money was flowing into the Franklin Community Federal Credit Union too rapidly. The NCUA closed Franklin, November 4, when it had about \$40.8 million on books. Only a hand full of Franklin employees were in a position to know" how much money was actually passing through accounts. "Internal Franklin reports seen by the World-Herald indicate that staff members at Franklin handled more CD's in three weeks last fall than the credit union was supposed to have in all. Only about \$1 million in CD money was reported in Franklin's books which purported to list all deposits. Franklin memos, some of

them addressed to King, were handled by the three full-time employees in the credit union's development office. The memos also show a few outside brokers' were responsible for selling some of Franklin's CD's, but the memos do not refer to any Franklin internal reports, list deposits going into Franklin, or CD renewals, as well as money going out. Hansen compiled the reports and the reports also went to L. E. Thomas Harvey, Jr., Franklin's director of accounting. Harvey was in charge of Franklin's computer and financial records. Franklin employees have said they believed Franklin had \$10 to \$15 million in deposits. Union employees were compartmentalized. Riley said only a couple of people in the credit union were privy to all the information" that would have signaled a red light about union finances. "It now seems obvious that Franklin was bigger than it claimed to be. CD sellers were not familiar with the credit union's balance sheet of assets and liabilities. Most of the people had no idea of what the credit union was supposed to look like."

"The Credit Union Insurance Fund was established in 1970. Each of the country's 16,000 credit unions was required to give a percent contribution as its deposits grow. The board statistics indicated that the Credit Union Insurance Fund holds \$1.26 for every \$100 at risk. Since the Franklin loss, every low-income credit union in the

country has had or will have a look-see." The Franklin was examined by the FBI, IRS, the U.S. Attorney's Office, and the National Credit Union Administration."

In 1989, "with regard to Franklin, Colby said, "I'm qualified for Franklin probe.' A former CIA director, William E. Colby, [is] now investigating the Franklin Community Federal Credit Union Failure. Colby said the Franklin investigation appears to be a delicate one." Colby said he was ready to "afford whatever is necessary to make sure the Franklin probe is complete." What Omaha "can't afford is a half-hearted investigation."

"Kirk Naylor, Jr. was interviewed about the failure of Omaha's Franklin Community Federal Credit Union." Lincoln "journal story says in headline 'A Credit Union Fails and Omaha Wonders Was It Bamboozled.' In aftermath of the November 4 closing of the Kings' credit union, King is accused of plundering the institution to finance a flamboyant life style. Local residents feel betrayed. For years the burly credit union manager, King, preached a bootstrap philosophy." At the time of the union's early growth, "leaders were enthusiastic in their support of Franklin and Mr. King and King's intentions were said to be well meaning." One enthusiastic supporter of the credit union was Harold W. Andersen, publisher and chief of the Omaha World-Herald. Andersen was a big source of low cost

funds for the credit union." He headed a committee that solicited the support of other Omaha businesses for Franklin. The newspaper itself deposited more than \$200,000 in the credit union." Andersen also "led a drive to expand and renovate the credit union's offices. He helped raise \$675,000." The fund drive "Andersen headed to renovate and expand Franklin's head quarters was successful but Andersen said that it hadn't yet been done when Franklin failed." Andersen also appeared in "television advertisements soliciting deposits for Franklin."

Peter "Hogland said in response to a question, 'more about what happened in the collapse of the Franklin has been disclosed than if he had nothing to do with the operation of the Franklin.'" One example covered by the newspaper was the "Franklin suicide victim. The victim received gifts" from King. "Chief executive of Franklin Community Federal Credit Union allowed him to use a credit card for the man's purchases. The purchase was charged to an American Express card in 1987 and paid for with Franklin funds later. "He was at Larry's beck and call," Hansen, a former Franklin employee, said." One key tip of King's relation to Rogers was "an unused \$408 airline ticket written to Franklin Community Federal Credit Union for Rogers/Charles."

Supervisory group members took investigation personally stating, "they were unaware of duty to audit Franklin."



Franklin's finances committee seldom, if ever, met after 1984. Two members of the supervisory committee could not be found. Members drawn from the credit union's general membership had the duty to hire an accountant or to do an audit themselves, The Federal Credit Union Act says. No audits were performed after mid-1984. The NCUA's board has authority to suspend or revoke a credit union's charter for not supplying an audit. Registered director, J. Leonard Skiles of Austin Texas, has said Franklin's staff repeatedly made excuses when federal regulators asked for an audit. Under pressure from NCUA, Franklin did agree in writing last year and an accountant finally started an audit when Franklin was closed November 4. Members of Franklin's supervisory committee declined comment in regards to committee meetings. Charles Jean Baptist, Franklin's Board President from 1985 through 1988 and Martin Canno, attorney for Franklin's board both declined comment. No formal minutes of Franklin's supervisory committee meetings have yet been located."

"Douglas Goodnight who was doing an audit the day Franklin was closed said he had begun to uncover information that made him suspicious about Franklin's finances. Goodnight said an audit differs from an annual review; an audit verifies financial figures. Not until after Franklin was closed did Federal investigators learn that \$38 million

was missing. The NCUA has sued Franklin's top executive Lawrence E. King, Jr., alleging he diverted at least \$34 million of Franklin funds for his own purposes and to pay interest on previously issued CD's. Trail of Franklin money forming; regulators say that expenditures have totaled \$39 million dollars from Omaha's failed Franklin Community Federal Credit Union."

In 1989 articles, the NCUA announces "it will be ready to explain how the Franklin loss escaped detection by federal regulators. In the process of reconstructing Franklin's losses, Fenner said investigators so far have determined that expenditures by the credit union were made in principle areas of interest, salaries, and other overhead expenditures for the credit union and all the business King was involved in. The lawsuit alleges that King diverted Franklin funds for his personal and business use."

Authorities are keeping "King from selling orcopyrighting the story of the Franklin failure. Authorities and NCUA officials have paid out another \$2 million to the regular credit savers in the credit union."

World-Herald articles in 1989 cover again and again that "King, Jr., who was Franklin's chief executive, diverted credit union money for personal and business use. Jim Cleary and Steve McCollister touched on Franklin briefly during a Mayoral forum in north Omaha saying they hoped the

credit union could be replaced. McCollister said during the forum that Franklin is very important to replace. In an interview he said he was not sure whether a credit union or a savings and loan would be the most appropriate. He said his chief concern in the wake of the Franklin collapse was the loss of counseling services provided by Consumer Services Organization, a Franklin affiliate." In opposition to McCollister and Cleary, "Mayor Walt Calinger said a replacement for the credit union is unnecessary. Morgan said it would be difficult to develop a new credit union modeled on Franklin; the trouble would be gaining the confidence of those who had been Franklin customers, which is not going to be easy to do. Norwest or First National Bank could start a credit union for low income residents. Council president, Fred Conley, whose district included Franklin, could not be reached for comment."

King denied allegations "that he diverted \$34 million from the Franklin Community Federal Credit Union for his personal and business use. Depositors were asked questions about a new suit which links Franklin funds to a trust created for King's son. The suit alleges that King fraudulently transferred funds from Franklin to the trustee for the trust. Property placed in the trust were financed from Franklin funds the lawsuit said. It is suspected the trust was developed for King's son."

Other leaders become interested in what happened at Franklin in 1989. For example, "Carrol Hubbard, a Democrat from Kentucky, is reported to seek information about failed Franklin Community Federal Credit Union, a subcommittee is created to determine whether new legislation is needed in credit unions and their regulation," and the "Bush administration develops a banking bill that he said would prevent a credit union from ever again slipping 3 and 1/2 years."

"Regulators say nepotism added to Franklin woes; it was all in the family at the Franklin. Several groups of relatives working at the failed credit union contributed to its problems. Mrs Harvey's son, E. Thomas Harvey, Jr., Franklin's accounting director, and her daughter, Cynthia A., were just two family relationships that played a part in the credit union's downfall." Nepotism "resulted in the scope and magnitude of the Franklin fraud, the NCUA alleges in four civil suits. A total of more than \$40 million was diverted from Franklin for the use of others, including Lawrence E. King. The NCUA strongly discourages the practice of nepotism in credit unions, which are close knit institutions. To go into detail, Fenner said nepotism was evident at Franklin in at least two ways: family members worked for the credit union, the CSO, and related enterprises owned by King." A good example is "Barbara

Moore, assistant director of the CSO [and] a Franklin employee for 10 years, who said her son, Gregory Moore, was a teller at Franklin and another son, Edward Moore, was a maintenance" man. "Harvey, Jr. had chief responsibility for running Franklin when King wasn't there. Three former employees have said a lot of Harvey's relatives also worked there."

In dissipating the union and charging King, administration officials have said "this is one of the many things we will look at." Nepotism is a "poor practice. Several other Nebraska credit union executives said they avoid hiring relatives. Vice president in charge of marketing for Bell Federal Credit Union in Omaha said hiring relatives can cause conflict. Ms. Dyer and several other credit union executives said they regard Franklin as a mystery." Head of Union Executives Association, Ms. Dyer said seldom did Franklin employees participate in training seminars. Executives said they had seen King at one Nebraska Credit Union League function. He sang the National Anthem. Nor was King active in the national group. Hall said nepotism has not been a problem in other Nebraska credit unions for which his firm has performed exams and audits. His firm does work for 85 of the 117 credit unions in the state" Petersen said.

"Of missing Franklin cash, 'half' said to be diverted. Community Federal Credit Union funds went for non-credit union purposes such as personal and business expenditures. About 25% was used to operate the credit union and its affiliates. More specific Franklin spending figures will be given in an NCUA report. To one Franklin question, Fenner said the credit union failure was an isolated case of fraud that did not reflect in credit unions as a group. The NCUA also has filed a \$34 million dollar lawsuit against Franklin manager, Lawrence E. King, Jr., as well as lawsuits against King's wife, Alice; his son's trust fund, and Franklin affiliates. Franklin is not a simple case. Rumors have persisted that money from the credit union somehow found its way to the Nicaraguan contra" affair. "No evidence has surfaced that contra received Franklin funds."

"The day after authorities raided the credit union office, they rented a trailer to haul away documents. Trial is ordered for Franklin officer, Robert Morley, 35, of Ashland. Morley pleaded not guilty." He "was one of three Franklin development officers, who sold CD's for the credit union, to be indicted on federal tax charges. Spire and others subpoenaed for credit union hearing."

Legislature developed a "special committee investigating the failed Franklin Community Federal Credit Union. Committee asks for a stiffer sentence."

"Story on the Roman Catholic Orders investment in Franklin CD's has been told."

"Harvey's involvement hadn't been reported. Mrs. Harvey asked to be forgiven for Franklin role and becoming entangled in wrongdoing at the now-defunct Franklin Community Federal Credit Union. Harvey and her son, Thomas Harvey, Jr., 46, who was Franklin's director of accounting, pleaded guilty to embezzling approximately \$1 million in Franklin funds. The Harveys spent a good share of their Franklin money for stamps, hand painted boxes, and china. On the other hand "the Kings spent \$10.2 million dollars in Franklin funds on rented limousines, jewelry and flowers."

Coverage continuing in 1989 depicts Mrs. Harvey as in charge of the "Consumer Services Organization, a spin-off of Franklin that offered budget counseling and credit advice. Mrs. Harvey said she never was a member of Franklin Credit's Board of Directors. Tom Harvey and Larry King manipulated the credit union's accounts from 1976 until Franklin was closed. After discovering King was taking Franklin money, Harvey began paying some of his bills with credit union money. In fact, the money came from Franklin's off the books sales of CD's." Mrs. Harvey's participation in activities that caused Franklin to collapse amounted to a betrayal of the low-income people served by the credit union." Mrs. Harvey claims she is "not responsible for

getting her son, Tom, his job at Franklin. In 1976, King called her one day and asked" if Tom was interested. He "took the job and someone came in to train him in credit union book keeping. Mrs. Harvey was also a director of the Franklin Corp., a non-profit group that did nothing except maintain a Franklin Credit account for funds that paid King family expenses. She was secretary of Franklin USA, King's unsuccessful effort to start other low-income credit unions. Franklin void [is] still a concern. Franklin was more than an ordinary financial institution. Its affiliate, Consumer Services Organization, offered credit counseling. Franklin workers helped some members pay their bills. Franklin's services to the poor and elderly are missed. Franklin issue to get hearing, July 26 court hearing. Legislative committee investigating the collapse of Omaha's Franklin Community Federal Credit Union is special. Child sexual abuse surrounds the failed credit union. Alleged abuse related not just to former Franklin treasurer and manager, Lawrence E. King, Jr."

"A teller at the Franklin Community Federal Credit Union said Monday he tried to blow the whistle five years ago about misdeeds at Franklin but his efforts failed. 'I got a bad deal out, I lost my job, my car, my apartment my credit record, and no-one wanted to hire me.' Hobbs said he had worked as a teller at Franklin for five years before he



wrote a memo, February 8. He showed a copy of his memo, addressed to the Franklin Board of Directors, to Lawrence E. King, Jr. and showed it to Arthur M. Miller, then chairman of the Franklin Board of Directors. A copy of the memo went to the National Credit Union Administration. He saw bills incurred by King coming to the credit union and Franklin paid them. Hobbs said it was common knowledge among other Franklin employees what was happening."

Chambers said the Franklin is a "bizarre story." As the "Franklin mystery shrinks to \$1.5 million, L. Kirchner said his firm's reconstruction of Franklin's records had accounted for \$39.6 million," money "mostly spent covering expenses from 1984 to November 4 "of 1988 when the union was closed. "NCUA officials want to know what happened to all Franklin funds; to learn of any bank account or any other" place "were funds can be recovered. To date, no cash of Franklin funds has been found. A Federal Grand Jury has indicted King, former Franklin manager and treasurer, on 40 counts."

In 1988 coverage, the "special committee on the Franklin Community Federal Credit Union canceled a public hearing." At "the hearing it was said it wasn't believed [the] Franklin committee's investigation has gotten off, to

verify any allegations of child abuse linked to Franklin or its principal figures." Articles cite investigation should focus on following the money trail from Franklin because that would be more effective. A three member Franklin committee investigated the Hobbs memo and told the credit union's board of directors the memo was wrong about sexual preferences and hiring practices and hiring practices at Franklin but not about embezzlement."

The "credit union is responsible for \$8.1 million of Franklin's lost assets. Alice King, Morley, and two other former Franklin employees were indicted by a Federal Grand Jury on charges related to the credit union's collapse."

Now "probing the failure of Franklin Community Federal Credit Union is Gary Caradori. Caradori personally will handle the Franklin assignment with Berry, as he has in other cases. He said the Franklin committee's investigation is being broadened. King, Jr.; his wife, Alice; and three former Franklin Credit employees are being investigated on charges related to the financial aspects of the credit union's failure. Omaha's Franklin Community Federal Credit Union continues to investigate child abuse allegations. Lawrence E. King, Jr., manager and treasurer of Franklin, has been charged with 40 criminal" counts. No one has been charged with any Franklin related crime involving child

abuse." Abuse victims "were abused under circumstances related to Franklin Credit Union Howland said."

Article coverage as of 1989 cites a "new law needs to be passed, Franklin was a federally chartered, federally insured credit union" which had deposits of \$41.5 million dollars. Because of federal insurance for Franklin, people's life savings were protected. All except a few Franklin depositors have been fully repaid."

"Judge rules against King in credit bills; a judge granted a \$109,974 judgment [to] King, Jr., manager/treasurer of the failed Franklin Community Federal Credit Union, for unpaid credit" bills. "Lawsuit that King failed to pay \$102,585 in credit card charges between April 4 and Nov. 6 1988."

"Stories [about] alarming new abuse evidence seen in Franklin case."

"Income tax violations in connection with Franklin's failure," verified. "Legislative committee investigating Franklin Credit Union gave credible statements concerning allegations of drugs following the collapse of the credit union."

The start of article coverage in 1990 brought legal opinions that "the trial should be delayed." Lawyers ask for time in Franklin case to reconstruct financial

activities of the credit union said defense attorney, Steven Achelpohl."

"Memo, people talking concerning Franklin panel. Former Senator, John DeCamp, sent memo to two newspapers" Franklin committee members said they were upset, given what he termed the circumstances of the Franklin situation and what has been occurring."

Investigations into "child abuse related to the defunct Omaha credit union" continue throughout 1990. The investigative committee "talked to one young woman who described herself as a Franklin victim. Of the legislature's Franklin committee, Federal Credit Union Committee said they would be reluctant to allow the release of tapes" of other alleged abuse victims. "Reportedly, in the tapes, victims name some people they say were involved in Franklin related child abuse and sexual exploitation." The FBI and state patrol have been given copies of the Franklin committee's tapes and are conducting a joint enforcement investigation" of allegations in the tapes.

In 1990, "DeCamp tells why he sent Franklin memo." In the memo, DeCamp names who in his opinion should be "central figures in Franklin Community Federal Credit Union investigations." De Camp says he sent the Franklin "memo because the press is the court. Brown said DeCamp said he is very close to Franklin committee chairman, Loran Schmit."

"Franklin Grand Jury needs a special prosecutor. Not much about the Franklin case is ordinary. The legislature's Franklin committee has made nothing public. Reporters are hard at work seeking the truth in the Franklin case."

Members and another former Franklin Community Federal Credit Union accountant to turn over personal financial "records to be used in the investigation of the alleged disappearance of \$39 million dollars from the credit union. Jury, last May, indicted five people, including Franklin's chief executive, Lawrence E. King, Jr., on charges related to the credit union's financial collapse." In "the Franklin Credit Union case, presiding judge, James Buckley," said the "grand jury would be limited in its investigation to Franklin or to individuals who had some connection" with Franklin's finances. Buckley's instructions to the grand jury are "broad enough to include people acquainted with credit union officers or employees or who bear some relationship in the broadest sense with the credit union or with any of its officers."

In a 1990 article, "Chambers criticized World-Herald coverage of the Franklin story."

During the same year, "taped statements were given to the legislature's Franklin committee to investigate allegations of child sexual abuse in the Franklin failure. Kimball, a member of the legislature's Franklin committee,

said he could not overstate [the] importance of Carlson's role in bringing the Franklin allegations to light and in moving. Previous law enforcement investigations into the Franklin allegations were inadequate. Waverly, the only member of the legislature's Franklin committee to back Mrs. Bartels, said Carlson knew of improper financial activities involving the Franklin Community Federal Credit Union before the credit union failed. Chambers said Hogland had that information prior to Franklin's failure. Anderson helped raise contributions for a Franklin building and encouraged deposits in the credit union in the mid 1980's."

Allegations "about Peter Citron went to the legislature's special committee on the Franklin Community Federal Credit Union." The committee expressed concern that rumors could be "involving people without any connection to the credit union" in its failure. "However, Citron's name has come up in the Franklin investigation said attorney James Martin. Charges against Citron had nothing to do with the Franklin investigation." The Franklin special committee does not "consider Citron to be a major figure in the Franklin investigation alleging child sexual abuse growing out of the failed Franklin Community Federal Credit Union case."

"Federal and state investigators in the Franklin Community Federal Credit Union case made pointed references

to each other." The "Federal Grand Jury that also is investigating Franklin matters subpoenaed Caradori. Gallup likens Franklin talk to McCarthy," using examples "of the leaks and insinuation about people in the Franklin Community Federal Credit Union case" as support for his portrayal. The "case seems to be coming from the legislatures Franklin committee. The legislature's Franklin committee spent \$100,000 on its investigation; hundreds of thousands of dollars unnecessarily spent on the Franklin investigation. E. Thomas Harvey, Jr. has pleaded guilty to Franklin related financial violations." In the end, in the case of "McCarthy, he was exposed for what he really was. In the Franklin case, DeCamp said the press has been afraid to expose anyone. Comments about press coverage in agreement; it's fawning."

"Special legislative committee to investigate the Franklin case and earlier criminal indictments" of King and Harvey's involvement in Franklin failure. "Thomas E. Harvey, Jr. and Mary Jane Harvey have pleaded guilty to embezzlement of \$1 million from Franklin and evading federal income taxes. Mr. Harvey and Anderson were privy to more in the Franklin accounting department than anybody. Weise said he told a Federal Grand Jury [that] he has kept track of the rumors circulating about the Franklin case."

"Money King allegedly took from the credit union he used to stage lavish parties. For example, Weise said King would give him a credit union card, \$1,000 in cash, and a chauffeured limousine." Many "questionable events occurred a few months before the credit union collapsed. Weise moved into a newly completed Union Plaza Apt., 601 S. 16th St. King charged the party expenses on three credit union cards, cheating odd as it may seem. When the credit union collapsed in November of 1988, Weise moved to California."

"Franklin witness says he lied a little. Caradori says men unfit for polygraph. Caradori said the Franklin Credit Union sexual abuse case doesn't rest entirely on the" testimony of those witnesses taped. Caradori feels "previous law enforcement investigations in the Franklin allegations were inadequate."

"King is expected to undergo therapy." Jury members are free to see and read news accounts about the Franklin tapes. Thursday night, WOWT aired a 30 minute special Franklin report that included the 21 year old woman who had allegedly been sexually abused."

"A man told King, then the top executive officer of Franklin Community Federal Credit Union, 'you have to give me some money.'"

"State senators watched two or three hours of the Franklin Community Federal Credit Union videotapes,



Tuesday." Special committee members "invited all 44 state senators not on the Franklin committee to view the tapes." Articles in 1990 claim "Franklin follow-up insufficient."

Trial for the "failure of the Franklin Community Federal Credit Union could be moved to another state. Allegations have clouded the so-called Franklin case." Casey "has focused on the Franklin case; he said he had hoped to translate his vision of Franklin good vs. evil in Omaha, NE into a television" docudrama. "Casey now has set his sights on a book. Carol Schrader said Casey regularly faxed her Franklin background material from California. Casey says his proudest journalistic moment in the Franklin case came last year when he shared a byline."

Articles in 1990 boldly state, "Larry King of the failed Franklin Community Federal Credit Union has been found mentally incompetent to stand trial on 40 felony charges arising from Franklin's failure after 4 months of treatment."

"Three persons who earlier told a Franklin Credit Union legislative investigator that they had been sexually" abused said "none of that ever happened. The effect of the Franklin case has been to produce the oddity. FBI and IRS planned before raiding franklin officers to seize everything said Stephen Achelpohl. King sold a horse for \$1 to a Franklin employee. Kopf's written remarks were critical."

In 1990, articles suggest that some authorities "would like to make John DeCamp responsible for the Franklin case. Lawrence E. King, Jr., manager and treasurer of Franklin, faces forty counts of conspiracy and fraud. Franklin's treasurer, E. Thomas Harvey, the credit union's chief accountant is awaiting sentencing. Ms. Stitt said proceeds go to federal agency; Franklin property will be sold. The Franklin Community Federal Credit Union property at 1723 N. 33rd is now overgrown; it served as the headquarters of the now-failed credit union. It was owned in the name of the Consumer Services Organization, a Franklin affiliate. Franklin was closed November 4 1988 with a loss of \$39" million dollars. The "NCUA, the federal agency that regulates credit unions and insures depositors, filed a lawsuit against" the credit union and King.

Reports in 1990 coverage of the Franklin event related to "rumors that had been raised in the wake of the Franklin failure. The jury found no credible evidence of child" sexual abuse. Also, the jury found no "connection between Baer and King or the Franklin Credit Union, other than limited social and business" engagements. "Although King, chief executive of the failed Franklin Community Federal Credit Union, is charged with federal financial crimes relating to" the credit union, the jury found no credible

evidence in a pornography ring by King, other Franklin officials, or employees."

Coverage of the trial in 1990 said the jury was instructed to "not let fabrications in the Franklin case divert their attention from the problems" truly existing in the failure of the credit union. "Indeed there was a spawning ground in which Franklin rumors were born, nurtured, and grew."

"During 1988-89, the chronology of events linked to Franklin Credit Union Case" brought to recognition the evolution of the event. A Federal "agency closed Omaha's Franklin Community Federal Credit Union because it was engaging in unsafe and unsound practices." Articles reported that "although Franklin's records showed the credit union had assets of \$2.5 million dollars and liabilities of \$300,000 dollars," in actuality liabilities reached approximately \$39 million. The NCUA filed a lawsuit against Larry King "contending he diverted money from the credit union for his personal use to run his business. King gave lavish parties; his annual salary at Franklin was \$6,200. Administration officials raised their estimate of Franklins potential liabilities to \$39 million on December 9, 1988. The NCUA began paying off Franklin depositors up to the \$100,000 per account." Then, article highlights claimed that there were "sexual abuse incidents related to the

failed credit union." Franklin was selling "deposit sales to outsiders said the National Credit Union Administration's Board in Washington. Restrictions were placed on deposits that any low-income credit union was permitted to accept from non-members December 19," in the aftermath of the union failure. There were "millions on deposit at Franklin shortly before the credit union failed. In Aberdeen, SD, credit union non-members had \$2 million on deposit at Franklin shortly before the credit union failed. The Franklin Credit Union had not been audited in more than four years because they were repeatedly delayed by Franklin's chief accountant, E. Thomas Harvey, Jr."

1990 article coverage reveals more story line in "sworn answers to questions from a National Credit Union Administration attorney. Lawrence E. King" said he "usually worked at the credit union only three hours a day. A seven member committee was formed to investigate the Franklin Community Federal Credit Union failure and related child abuse allegations."

The committee was "unsuccessful in efforts to find evidence of Franklin related child abuse. Cafe Carnival closed permanently" after business dwindled due to allegations of financial problems for King. "The committee of Franklin Community Federal Credit Union members responsible for producing annual audits seldom, if ever, met

after 1984. Lawrence E. King, Jr. acknowledged that Franklin kept two sets of books." The NCUA filed suit and sued King on 40 "counts of fraud, embezzlement, and income tax evasion, crimes stemming from Franklin's financial failure. His wife, Alice, was indicted on 12 charges. The King family spent \$10.2 million in Franklin funds for personal purposes from 1984 through" November of 1988 when the union was closed.

"Attorney John Stevens Berry was named interim Franklin committee council, as the replacement for Kirk. Jim McFarland of Lincoln became the second Franklin committee member to resign. The National Credit Union Administration sued 24 people who were directors of Franklin or members of its supervisory committee."

"People came forward and said they were Franklin related child abuse victims, January 4, 1990."

"John DeCamp's memo rumored central figures in the Franklin investigation."

"Grand jury meeting in Omaha had been looking into Franklin related sexual abuse allegations. Senators watched two or three hours of the Franklin videotapes that were shown at the capitol with permission of the Franklin legislative committee."

"Mary Jane Harvey allegedly spent \$689,547 dollars in Franklin funds for personal purposes."

"Plans were moving ahead to open a new credit union to replace Franklin before the end of 1990."

"Citron case is said to have nothing to do with the Franklin investigation."

"The Douglas County Grand Jury called the Franklin child sexual abuse allegations a carefully" crafted hoax.

"Lawrence E. King, Jr. was Chief officer of Franklin Credit Union which failed in 1988."

"Sexual abuse allegations grew out of the credit union's failure. Those alleged incidents had nothing to do with Franklin" the grand jury said.

"A Douglas County Grand Jury that probed Franklin issues made its report last week." The failure of the Franklin Credit Union "has now been referred to as the Franklin investigation."

"The rumormongers" have not affected the "findings by a committee that knows more about the Franklin investigation than any other entity. Legislative committee has been investigating the Franklin failure for more than 540 days. The Franklin committee pursued its task quietly. The committee's work will continue. The failure of the Franklin Community Federal Credit Union amounted to a carefully crafted hoax. Editorials have distorted the gravity of the Franklin case by accepting the findings of a grand" jury.

"Omaha's recovery from the damage done by the Franklin rumors" will take time. There are those "who reject the grand jury finding that the Franklin videotapes contained a carefully crafted hoax." This exhibited "a lack of confidence in the legislature's Franklin committee." Articles "indicated that it would be unfortunate if the Franklin hoax made it harder for truly abused children" to receive help.

"In November, Miss. Owen made allegations to a Franklin legislative committee investigator that Wadman" was the father to her child. "Wadman has said he is not the father in testimony before the Douglas County Franklin Grand Jury. Miss Owen also accused Wadman of being the father in testimony before the Douglas County Franklin Grand Jury."

Coverage during the years 1988 through 1990 personified the credit union as having a dishonest, deceptive loyalty to the Omaha community. Coverage during these years revealed details surrounding exactly how the Franklin Credit Union maintained community support based on its original founding purpose and goals to eventually deceive the very community it sought to support.

### The Chaining of a Fantasy Theme into Fantasy Types

World-Herald depictions of the Franklin Credit Union are similar in mood, tone, and meaning, suggesting that fantasy types do exist in World-Herald portrayals of the

Franklin Credit Union. Articles dated before 1989 represent the credit union with the following terms:

1. The Franklin Community Federal Credit Union  
(00000001 04 04 69)
2. The Union (00000007 04 04 69)
3. The Credit Union (00000031 07 26 70)
4. The Franklin (00000109 07 09 72)
5. The Federal Credit Union (00000161 01 19 73)
6. The Franklin Union (00000163 01 19 73)
7. The Franklin Community Credit Union  
(00000465 12 28 76)
8. The Franklin Credit Union (00000497 05 18 77)
9. Franklin (00000917 05 03 81)

As of 1988, articles refering to the credit union used terms which included the originally listed reference terms, but added to the list the following referents to the union:

1. Failed Franklin Community Federal Credit Union  
(00001445 03 11 88)
2. Credit Union Failure (00002171 11 16 88)
3. Failed Franklin Credit Union (00003097 12 02 88)
4. Failed Credit Union (00003471 12 14 88)
5. Collapse of the Franklin Community Federal Credit  
Union (00004651 01 18 89)
6. The Franklin Community Federal Credit Union Failure  
(00004743 01 21 89)



7. The Franklin Probe (00004891 01 21 89)
8. Collapse of the Franklin (00005109 12 19 89)
9. Franklin's Failure (00008945 12 19 89)
10. The Franklin Case (00009251 01 04 90)
11. The Franklin Situation (00009381 01 23 90)
12. Defunct Omaha Credit Union (00009401 01 23 90)
13. Franklin Matters (00010459 02 15 90)
14. Franklin Story (00010699 02 20 90)
15. The Franklin Failure (000787 02 24 90)
16. Franklin Allegations (00010801 02 24 90)
17. Franklin Investigation (0001107 02 24 90)
18. The Franklin Community Credit Union Case  
(00011211 03 06 90)
19. Franklin Talk (00011523 03 12 90)
20. Credit Union Collapsed (00012691 03 25 90)
21. The Failed Credit Union (00016465 07 25 90)
22. The Franklin Hoax (00019851 08 15 90)

Overlapping these lists prompts the discovery that terms used to describe the union are not only all related in meaning and tone but also, are all related to the original fantasy theme terms used to describe the Franklin Credit Union before it closed:

1. The Franklin Community Federal Credit Union
  - a. Failed Franklin Community Federal Credit Union

- a. Collapse of the Franklin Community Federal Credit Union
- a. The Franklin Community Federal Credit Union Failure
- 2. The Union
- 3. The Credit Union
  - c. Credit Union Failure
  - c. Failed Credit Union
  - c. Defunct Omaha Credit Union
  - c. Credit Union Collapsed
  - c. The Failed Credit Union
- 4. The Franklin
  - d. The Franklin Probe
  - d. Collapse of the Franklin
  - d. Franklin's Failure
  - d. The Franklin Case
  - d. The Franklin Situation
  - d. Franklin Matters
  - d. Franklin Story
  - d. The Franklin Failure
  - d. Franklin Allegations
  - d. Franklin Investigation
  - d. Franklin Talk
  - d. The Franklin Hoax
- 5. The Federal Credit Union

## 6. The Franklin Union

## f. Failed Franklin Credit Union

## 7. The Franklin Community Credit Union

## g. The Franklin Community Credit Union Case

## 8. The Franklin Credit Union

## 9. Franklin

Overall, the development of the credit union fantasy themes in the early years of its establishment created an initially humanitarian perspective of the Franklin Credit Union. World-Herald articles describe the union as the Franklin Credit Union and supported this "theme" with descriptions of the union's events that supported such a theme. Good examples would be the development of the Consumer Services Agency, opening Saturdays, selling foodstamps, and paying dividends to investors. In analyzing articles dated before 1989, the humanitarian drama projected by the paper used listed descriptive terms in reference to the credit union in article coverage to the public. This suggests that the articles describing the work and establishment of the union were written in terms commonly accepted by the community. Community members were never told "what type" of union, only that "the union" had or would make contributions to the community. The omission of a "type" designation in early articles suggests that articles were written with a preexisting "rhetorical

vision." A rhetorical vision of "credit unions" as institutions established to serve the financial needs of communities, that credit unions were generally helping institutions, and that the establishment of a credit union in areas needing such services would provide those services, all, with the interest of the community in mind. World-Herald articles covering the establishment and growth of the credit union in Omaha confirm the existence of such a "theme" by continually emphasizing the role the credit union was playing in the Omaha community and how that role met the expectations of the community.

Coverage of the role of the credit union changed in 1988. The term "credit union" was no longer representing a commonly shared understanding of what existed in the Omaha community. In other words, the Franklin Credit Union was no longer just a "credit union;" it had become a "failed credit union." Additional terms added to the credit union suggest that the credit union theme evolved into fantasy types created by a new combination of setting, persona, and plotline within the Franklin drama. Examples of these new theme structures are King's use of Franklin funds for personal business, his faulty record keeping, his tax evasion, the lack of management by the NCUA and Franklin's special committee, and finally, the maintenance of a community need and the belief that that need was being met.

The fantasy types in coverage by the World-Herald all describe the Franklin Credit Union as a credit union which had "failed," "collapsed," or otherwise ended. The Franklin Community Credit Union became known as a "type" of credit union, not just a "credit union."

#### The Chaining of Fantasy Types into a Rhetorical Vision

The final evolution of theme into rhetorical vision is the development of a definite pattern and clearly defined word or phrase that captures the essence of an event. In no instance was there a clear pattern establishment found in sampled articles written about the Franklin Credit Union. At no point in analyzing articles referring to the credit union did one word or phrase stand out as being used repeatedly or solely in reference to the Franklin Community Federal Credit Union.

Results of this sample support the hypothesis that a theme in relation to the credit union developed through World-Herald coverage of the credit union failure.

Initially, the Franklin Credit Union had a setting, persona, and plotline, which developed a humanitarian fantasy theme. Through the evolution of the credit union's failure, its fantasy theme changed and the union was described by "fantasy types" based on the evolution of a new fantasy theme. But article analysis and plot analysis of the event suggest that the failure of the Franklin was more than the

"failure of" or "collapse" of the union. No clear pattern of representation or recreation could be established in this study, indicating that no rhetorical vision was discovered through the examination of sampled articles. There is, however, clear indication that the drama of the credit union was initially accepted by the community, suggesting the possibility of a pre-established rhetorical vision about the credit union. This vision became a theme from which community members chained out new fantasy types.

This study suggests that the combination of fantasy theme analysis and content analysis is extremely accurate and effective. This study accurately depicted the drama created by World-Herald coverage of the failed Franklin Credit Union and clearly displayed the process of chaining by indicating that fantasy types in relation to the Franklin Credit Union exist. Fantasy types exhibited no patterns, thus no rhetorical visions were discovered. However, the development of existing fantasy themes and record of their evolution into fantasy types confirms the accuracy of the combined methodology and computer analysis in this study.

## CHAPTER 6

## Conclusion

This study discovered and quantified how the World-Herald dramatized the events of the failed Franklin Credit Union. Dramatizations proved a definite change in portrayal of the union by The World-Herald during the years 1969 through 1990. Analysis of article text consisted of reconstructing the events as portrayed by The World-Herald. Text was analyzed using the computer techniques of Gencord and the procedure set forth in the Methodology (Chapter 3) of this work.

The existence of fantasy themes in relation to the credit union were supported by clear recreations of text elements typifying setting, persona, and plot line. Theme establishment was then further detailed using the content analysis designations attention, emphasis, tendency and structure.

The theme element of setting emerged in the years 1969 through 1975. The setting of the Franklin was positively portrayed by The World-Herald during these years. Articles dramatizing the union attended to the establishment of the union, its place of establishment, the union's purpose for starting, the types of people the union was established to assist, and the future goals the union hoped to achieve in the community. Article emphasis in setting during these

years was on the great need Omaha had for the Franklin Credit Union's services. Articles most frequently referred to the specific area of Omaha most affected by the union's establishment and the original hardship suffered by the people within the serviced area. Sampled articles had a tendency to speak highly of the credit union, praising its establishment in the community. Sampled World-Herald articles suggest the credit union was an answer to community poverty problems. The structure of sampled World-Herald articles related to setting projected a definite humanitarian relationship between the foundation of the Franklin Credit Union and the Omaha community.

Sampled articles maintaining the setting developed between the years 1969 and 1975 throughout the events of the failed Franklin Credit Union.

This study examines the persona of the major actor in the Franklin drama, Larry King. Sampled World-Herald text revealed that early articles from 1969 through 1979 depict Larry King as the most prominent persona in the Franklin Credit Union drama. Portrayed during these years as the executive manager of the union, articles between these dates attended to King's taking over the union and the union's poor state of affairs when King took over. Articles during this period cite King's successful efforts to save the union. Articles highlight the union's growth due to King,



the services King put into action at the union, the future goals of the union according to King, and finally, the union's successful achievement of these goals under the direction of King. Articles emphasize the organized effort King was making to provide needed services to Omaha credit union members, and the great success King was having meeting goals set for the future of the union. Articles had a tendency to remain fact oriented; however, facts mentioned between the years of 1969 through 1975 present King as a humanitarian. The structure of articles during these years set character foundations using these supportive facts to personify King as a humanitarian. Articles portray Larry King between the years on 1969 and 1975 as a man with definite goals and purposes. King was portrayed supporting his community by actually reaching the goals he set for the growth of the union. King is portrayed during these years as a person looking out for the well being of the Omaha community and its members, and as contributing to the betterment of the community through the success of the union.

There were only two lines of text recognized by Gencord as depicting persona between the years of 1975 and 1980. These articles represent a change in article focus. The change was one which focused on the union as a whole as opposed to King and the union as separate entities. This

change in focus suggests the community recognized the credit union and Larry King as entities one in the same. The single article in 1977 attended to King's plea for donations. Emphasis in this article only portrays King stating the union's desperate need for donations. Article representation of the union's need for help did not tend in any way to suggest King was negligent. Articles portray only a solicitation for funds. Article structure supported King's continued positive portrayal during these years by stating what the union needed, why they needed it, and how King was working toward meeting the needs of the union.

Article coverage between the years of 1981 and 1986 continued to highlight the change of focus World-Herald articles had in covering the stories related to King and the union. This continued change in focus suggests a strong belief by the public that the union was still a humanitarian force in the community. Article coverage only represents the year 1981. The articles referencing King during this time frame continue a glorification of his humanitarian persona. King's personification in 1981 attends to his survival instincts, his continued commitment to the betterment of the Omaha community, his success at developing the union into a "bedrock organization" for the Omaha community, and finally, the success of his other businesses. Articles emphasize where the credit union was when King took

over and where King had taken it during the years he managed it. Articles had a tendency to agrandize their depiction of King in relation to the success of the Franklin Credit Union. Article structure supports King's persona as a hero.

Fantasy themes as past time present explanations of events become most evident in articles sampled between 1987 and 1990. Sampled articles dated from 1987 through 1990 pay close attention to allegations made about Larry King, his past accomplishments in the union and community, the number of people he gained support from during the time he managed the union, and finally, the trust the community and specific individuals had in Larry King before allegations of his personal deceit using the union as a backdrop. Emphasis in these articles is on how King went from humanitarian to criminal based on allegations of dishonesty, money theft, and sexual abuse reported by The World-Herald. The tendency of articles during this time frame was to reference King as the past manager of the credit union who fraudulently diverted funds from the union for his own business and personal use. Articles during this time frame also tended to portray the disbelief of community members that facts personifying King as anything but a humanitarian were true. Community references during this time present a paradox between how King was regarded by the community and who he actually was when his community deceit was revealed.

Article structure presented once again the former goals and achievements of King that portrayed him as the community humanitarian. These continual references to King's past portrayal suggest the emergence of new fantasy types in relation to the union and Larry King. Articles touched with this past representation of King were overwhelmed with these new facts supporting King's new persona as a villainous character who stole, lied to, and bewitched the Omaha community.

In relation to persona this study revealed that Larry King was the hero who evolved a villain in the event of the Franklin Credit Union. This phenomenon has not yet been noted in fantasy theme studies. Studies prior to the current analysis have depicted single characters as one permanent persona throughout the evolution of an event.

The final fantasy theme element is that of plot line. Sampled articles identify once again in the plot line of the Franklin drama, the action of the events as text elements supported by strong attention, emphasis, tendency, and structure within the context of key list terms analyzed. The plotline of the Franklin Credit Union exhibited article trends of approximate six year groupings. Each group was marked with depictions by The World-Herald of specifically attended, emphasized, tended, and structured actions by the union and related to Larry King. The plot line described by

The World-Herald between 1969 and 1975 of the Franklin Credit Union and Larry King is positive. Articles dated between 1969 and 1975 depict the union's establishment and statement of purpose. Attention in these articles was placed on the start of the union, the where, when and by whom aspects of its establishment based on the needs of Omaha as a community and the union's impact on these needs. The tendency of articles between 1969 and 1975 was to be very fact oriented, projecting the union's actions as value driven and positively oriented. The structure of articles between 1969 and 1975 depict the union as established and expected to have a lasting impact on the community.

The World-Herald depiction of the credit union remained positive and fact oriented between the years 1976 and 1981. Attention in these articles is placed on the development of counseling services for credit union members through the Consumer Services Organization, the receipt of an organizational grant to fund counseling work by the union, and finally, on the union's desperate need for donations. Emphasis in these articles is placed on the union's inability to keep up with the community demand for services, even though it has expanded and received grant funds. Articles between these years had a tendency to portray the union as a community helper turning to the community for support. The structure of articles between the years of

1969 and 1975 establishes the union as a service trying to meet the needs of a very needy community. Article structure suggests that a community need so large could only be met by donations from other community members. The structure of articles did suggest that the union badly needed money. It did not; however, suggest that the need, if not met, would reduce the services provided by or close the union.

The World-Herald articles between 1982 and 1987 also continue to depict the credit union as a positive force in Omaha. Articles attend to the continued growth of union services and the opening of a new Franklin building. Articles emphasize the union and King's continued outreach to the Omaha community. Articles during these years tend to remain fact oriented, yet portray the union as the single answer to many poverty problems for the people of its serviced area. The structure of articles do maintain that King had a humanitarian relationship with the community. Article coverage during these years was limited. Analysis of article text during the years of 1982 through 1987 indicates that the union, its actions, and the people involved with its maintenance brought very little attention to the eye of the media. Article coverage continued support for the credit union and its services by recognizing the union's continued services, King's visit to a housing project in Omaha, and the opening of a new Franklin

facility. Articles during this time frame remained positive and fact oriented.

The onset of 1988 brought with it a new interpretation of Franklin and its actions. Sampled World-Herald article coverage from 1988 and 1990 did not depict the union from a humanitarian perspective. Articles in these years attended to the illegal actions of Larry King, his family, the Harveys, and other union members; the diversion of funds, fraud, and tax evasion by the Kings, Harveys, and the union; the lack of attention to union funds paid by the Kings, Harveys, and the NCUA; and finally, the hardships and deceive the Omaha community will/has suffer/ed due to loosing/the loss of the Franklin Community Credit Union. The emphasis in World-Herald articles is placed on the paradox of what the union supposedly was and what it actually was. The development of a fantasy theme in relation to the credit union is once again supported during these years by the change of article focus by The World-Herald. Article depictions change from a humanitarian to non-humanitarian focus during this time frame. Articles also had a tendency to use the credit union's past actions as reference and its current actions as examples to help explain the paradox. The structure of World-Herald articles dated between 1988 and 1990 was not supportive of the credit union's previously positive portrayal.

The development of fantasy themes related to the Franklin Credit Union is further supported when articles are analyzed using a broader scope. Article analysis proves that sampled articles related to this event exhibited large scale trends. These trends should not be confused with patterns related to the evolution of a fantasy theme into a rhetorical vision.

Trends evidenced by sampled articles strongly suggest that the setting in this event was established between the years 1969 and 1975 and that articles after these dates referred back to the setting portrayed during this time frame. This is supported by continuous article reference to what the union was in the past.

In relation to the persona article, trends suggest the establishment of Larry King as a humanitarian between the years of 1970 and 1975. This is supported by article recognition of King's implementation of actions to meet community needs. Articles from 1975 to 1986 exhibit a maintenance of Larry King's humanitarian persona and the assimilation of the Franklin Credit Union and Larry King as a single entity. This is supported by articles glorifying King and the change in article focus from Larry King to the Franklin Credit Union.

Article trends exhibit similar evolution in depicting the plot line of the event of the failed Franklin Credit



Union. Articles during the years between 1969 and 1975 establish the union and King as positive forces within the Omaha community. This depiction is supported by article recognition that the needs of the Omaha community were being met by Larry King and the credit union. Article trends between the years of 1976 and 1986 exhibit humanistic factors represented most clearly by the less attended article coverage of the actions of the Franklin Credit Union. This lapse of coverage, whether due to the union's inactivity or The World-Herald's lack of coverage, nurtured the perspective that the credit union was still a humanitarian institution in the Omaha community. Article trends during the years between 1987 and 1990 depict the credit union and Larry King as no longer being a positive influence on the Omaha community. This change in perspective is supported by article references to the many ways King and the union took advantage of the Omaha community.

Detailed depictions of setting, persona, and plotline support the existence of a fantasy theme related to the failed Franklin Credit Union. Article trends suggest that the original positive fantasy theme related to the union changed between the years of 1978 and 1990 to a negative fantasy theme.

This study does support the existance of fantasy types, both positive and negative, in relation to the credit union through the years of its existance. This observation is supported by the many terms used to describe the fantasy theme of the Franklin Credit Union throughout article coverage since its establishment.

This study does not support the emergence of a rhetorical vision related to fantasy types evolved from the themes of the Franklin Credit Union. This is evidenced by the inability of a rhetorical vision to emerge as a patterned fantasy type used about the union. The failure of a rhetorical vision to emerge from fantasy types could be the result of the assimilation of Larry King and the Franklin Credit Union into one entity. This may cause some confusion as to whether the rhetorical vision represents the personification of Larry King or the depiction of the Franklin Credit Union event.

This study suggests that fantasy themes in themselves evolve from setting, persona, and plot line in much the same way themes evolve into rhetorical visions. Future studies could psychologically analyze this same text in relation to why specific themes themselves evolve. Another future application for the current study would be to apply this exact methodology to media coverage of major corporations, proposing in a study of this nature that it be determined if

media coverage personifies fantasy themes which evolve into rhetorical visions affecting stock sales for these companies.

## APPENDIX A

### The Pilot Study

This pilot study is a combination of fantasy theme analysis and content analysis methodologies. In order to demonstrate the accuracy of the experimental method created by combining the two methodologies and to assure that the computer techniques applied accurately dramatize the event of the failed Franklin Credit Union, the following study was conducted.

#### Sample

The article sampling technique used in this study selected articles on a stratified, proportionate, and random basis from the body of 674 articles collected from the World-Herald. Sampled newspaper articles total 80. Articles were ordered chronologically, stratified in two year intervals and varied on a third article basis. This means, for example, articles were sampled from years 1969, 1971 and 1973 from which every third article (1,4,7 etc...) were analyzed. The first article dated July 21, 1969 and the last article dated through December 22, 1989. No article was ever repeated.

#### Procedure

Each article was typed into an ASCII data file which included the text of the article, a line number, and an article date. The ASCII data file was run through

"Gencord," a word search or concordance program (Hotchkiss, 1989). Using a key list, the words credit, union, Franklin, Larry, and King were analyzed by the computer. The computer program extracts from the ASCII data file the key list word, the context of that word, and each data line code affiliated with a specific line of text. The Gencord Concordance output became an input file for a "VAX\EDT" sort program, which listed the key terms in ascending order according to date and code number. This final output file was then analyzed to determine the fantasy themes, setting, persona, and plot line, that evolved about the Franklin Credit Union. The same output file was analyzed again to determine if words similar or the same in meaning were used in reference to key words, and chained by the World-Herald from fantasy themes into rhetorical visions.

A content analysis based on fantasy themes consists of discovering the fantasy themes, setting, persona, and plot line, involved an event and then determining if the fantasy theme has been chained into a rhetorical vision. Each category of analysis has under it sub-categories which further detail the findings of this study. The sub-categories are the content analysis designations of attention, emphasis, tendency, and structure. These sub-categories act to organize the results of this study into more defined parts.

## Results

### Setting:

The results of this pilot study reveal fantasy themes related to both the Franklin Community Credit Union and Larry King. Sampled World-Herald articles dated before 1975 analyzed in relation to the first category, setting, dramatize the union by paying attention to the establishment of the union, its place of establishment, the union's purpose for starting, the types of people the union was established to assist, and the future goals the union hoped to achieve in the community. Sampled articles emphasize in setting the great need Omaha as a community had for the Franklin Credit Union's services. Based on this need, articles frequently referred to the specific area of Omaha most affected by the union's establishment and the original hardships suffered by the people within the serviced area. Sampled articles had a tendency to speak highly of the credit union, praising its establishment in the community. The sample suggests the credit union was an answer to community poverty problems. Structurally, looking at articles sampled from the World-Herald that date before 1975, the paper projected a definite humanitarian relationship between the foundation of the Franklin Credit Union and the Omaha community.

To confirm that a setting could be clearly identified from sampled articles, article text marked by key list terms was analyzed in relation to setting. The text of key list terms was recreated by piecing together the setting of the Franklin Credit Union as depicted by The World-Herald articles sampled.

In 1969, World-Herald articles depict the setting of the Franklin Community Credit Union of Omaha, Nebraska using the following descriptive words in relation to key list words analyzed using a pilot gencord concordance. This analysis did in fact illustrate a manifest setting, confirming that the existence of the text elements attention, emphasis, tendency, and structure related specifically to the development of a fantasy theme portrayal by the World-Herald. Concordance results confirm that the union was:

- 1969 1. Established by the Reverend Jones in 1969  
(0020 07 21 69)
- 2. Served a Dual Role (0004 07 21 69)
- 3. A viable and organized effort (0020 07 21 69)
- 4. Had a strong psychological impact on the community  
(0016 07 21 69)
- 5. An impact on community that would far exceed its  
economic value (0016 07 21 69)
- 1971 6. Servicing nearly 900 families (0191 12 10 71)
- 1975 7. Serviced mainly low income families (0433 06 23 75)

The World-Herald dramatic recreation reads:

The credit union was established by the Rev. Jones in 1969 to serve a "Dual Role." The union was depicted in articles as "a viable and organized effort," with a

"psychological impact" on the community expected to "far exceed its economical value." The credit union started with nearly 900 family members and served "mainly low-income persons" of North Omaha.

Between the years of 1973 and 1975, World-Herald articles continued to depict the setting of the credit union by identifying services made available by the union to its members and by describing the union as a non-federally funded entity. Concordance results support these observations with the following lines of text:

- 1973 1. The union was the largest seller of food stamps  
(0123 12 10 73)  
2. The union provided members with educational classes  
(0393 09 09 73)  
3. The union provided assess to OPPD services  
(0403 12 14 73)  
4. The union got generally high marks from its  
members (0382 09 09 73)  
1975 5. The union provided a Consumer Services Organization  
(0478 06 23 75)

World-Herald dramatic recreation reads:

The union was "the largest seller of food stamps" in the community and provided its members with "educational classes," access to "OPPD services," and "a Consumer Services Organization." In a survey of "2,000 of the credit union's low-income members," the "credit union got generally high marks."

The importance of the union's financial status was revealed in articles dated from 1969 through to 1975. This sample suggests that the outlook for future financial



positioning of the union was positive and that the union would even afford expansion to a new location as part of their success:

- 1969 1. The credit union was a 2.5 million dollar enterprise (0008 07 21 69)
- 1971 2. The union actually receives no federal funds (0191 12 10 71)
- 3. The union received a donation of \$25,000 from the Omaha Presbyterian Church (0095 12 10 71)
- 4. The development of the Westly House showed the union had bolstered its financial status (0165 12 10 71)
- 1975 5. The union would expand opening new branch at Woodson Center (0419 06 23 75)

World-Herald dramatic recreation reads:

Though named the Franklin "Federal" Community Credit Union, the union "actually receives no federal funds." The credit union is reported as relying on donations for its survival. Articles sampled from the World Herald reported that the credit union was expected to become "a 2.5 million dollar enterprise," based on deposit figures and a donation of \$25,000 from the Omaha Presbyterian Church.

In December of 1971, the World-Herald reported that "the development department of the Wesley House showed the union had bolstered its financial position considerably since its establishment in 1969." The union would now expand, opening "a new branch as part of the Woodson Center located at 3009 "R" St.

Persona:

Due to the amount of time involved in the present examination and the large number of people involved in the credit union, this study examines the persona of the major actor of the Franklin drama, Larry King. Sampled World-Herald text revealed that early articles dated from 1971 (when King took over responsibility for the union) to 1979 depict Larry King as the most prominent persona in the case of the Franklin Credit Union. Portrayed during these years as executive manager of the union, articles of this date attended to the humanitarian causes of Larry King. Articles sampled during this time frame emphasize the many ways King supported this persona of himself. Articles dated before 1979 had a tendency to depict King as a humanitarian by describing the good he was doing for the community he served. Structurally, during this time frame, articles laid foundations for King to be seen by the community as a hero. Concordance results read:

- 1971 1. King treats credit union members as individuals, where elsewhere in Omaha many are treated as second class citizens (0131 12 10 71)
- 1973 2. King started education classes (0390 09 09 73)
- 1975 3. King opened the union on Saturdays to aid the poor and unemployed (0500 11 19 75)
- 4. King hoped to open another branch of the credit union (0423 06 23 75)
- 5. King set an early goal of \$5,000 which he hoped all major churches in Omaha would donate (0518 11 19 75)
- 1977 6. King applied for a federal grant to allow for the development of home improvement loans (0607 05 13 77)

World-Herald dramatic recreation reads:

Early articles depict Larry King, Jr. as executive manager of the Franklin Community Federal Credit Union, a hero to north Omaha, and a man with a humanitarian cause; someone who saw and treated members of the Franklin Credit Union "as individuals, where elsewhere in Omaha, many are treated as second class" citizens. King was depicted in articles as a man who started "education classes and opened the credit union on Saturdays to aid the poor and unemployed. "King was also seen as a man who set goals for the growth and expansion of the credit union. King hoped to open another branch" of the credit union, set the goal of "5,000 to which he hoped all major churches in Omaha would donate," and applied for a "federal grant" which would allow the union to develop "home improvement loans."

Articles from 1979 to 1985 continue supporting the persona of Larry King as a humanitarian. Articles during these years are limited which suggests that during this time Larry King's actions gained little attention from the World-Herald. Articles from these years support fantasy theme theory by not contributing to the chaining effect. Theoretically, the beginning of a fantasy theme is supported by heightened actions in an event. During these years, the actions of Larry King reflect the belief by the World-Herald

that the existing rhetorical vision in relation to King represented his continued actions.

Sampled articles, dated as of 1989, pay close attention to the allegations made about Larry King. King, once depicted by articles as a humanitarian for a good cause, is now cited by sampled articles to be the former manager of the failed credit union. **Emphasis** in these 1989 articles is on how King went from a humanitarian to criminal based on allegations of dishonesty, money theft, and sexual abuse reported by the paper. The tendency of articles dated during this time frame is to reference King as the past manager of the credit union who fraudulently diverted funds from the union for his own business and personal use. Structurally, articles dated as of 1989 portray King as a criminal and support this portrayal with facts found in the setting and plotline of the Franklin drama. Articles recreate King's persona as follows:

- 1989
1. King illegally diverted \$34 million dollars in Franklin funds for his own personal and business use (1426 01 07 89)
  2. King is manager of the failed Franklin Community Credit Union (1489 01 10 89)
  3. King denies charges of prostitution (2181 02 05 89)
  4. King denies charges of child abuse (3724 03 15 89)
  5. King denies charges of misappropriation of funds (3724 03 15 89)
  6. King, former manager of the Franklin Credit Union (5450 05 25 89)
  7. King, indicted with 38 counts of fraud (5137 05 21 89)
  8. King, indicted with 40 criminal charges (6141 06 07 89)

9. King, flamboyantly living beyond his means of lifestyle (7335 07 27 89)

World-Herald dramatic recreation reads:

On January 5, 1989, articles revealed that the "NCUA alleged King illegally diverted \$34 million dollars in Franklin funds for his own personal and business uses." King became known as the executive manager of the "failed Franklin Community Credit Union," a man who's only defense was to deny charges of "prostitution and inappropriate activities" of child abuse and the "misappropriation of funds." King quickly became known as the "former manager of the credit union," a man who was indicted with "38 counts of fraud" and "40 criminal charges." King had been indicted for filing "false federal income tax returns, filing false credit union reports, bank fraud, mail fraud, and wire fraud. Articles suggest that King lived a lifestyle that was "extravagant." Listed amongst his extravagances were "ostrich skin coats and matching slacks, a \$25,000 chandelier" and \$500 tips to limousines." Articles cited King as flamboyantly "living beyond his means of lifestyle."

Plot line:

The next category of analysis is the category of plot line. Sampled articles identify once again in the plot of the Franklin drama the action of the event as text elements supported by strong attention, emphasis, tendency, and structure within the context of key list terms analyzed.

Articles dated as of 1969 depict the union as being established and making a clear statement of purpose. Attention in these articles was placed on the actual start of the union, the where, when, and by whom aspects of its establishment, and on the description of union's function within the Omaha community. Articles as of this date emphasize the importance of the union's establishment based on the needs of the north Omaha community and the impact the union could have on these needs. The tendency of articles in 1969 was to be very fact oriented, projecting the union's actions as value driven and positively oriented. Structurally, articles in 1969 display the union as established and expected to have great impact on the community to which it served. Concordance results establish these same foundations:

- 1969
1. Credit union was established in or around July 21, 1969 by Reverend Jones (0032 07 21 69)
  2. The union was seen by Jones to have a better start than most other credit unions (0032 07 21 69)
  3. The credit union served a dual role (0004 07 21 69)
  4. The credit union's psychological impact is greater than its economic value (0016 07 21 69)
  5. The credit union was seen as a viable and organized effort (0020 07 21 69)
  6. The union would grow to 2.5 million dollars (0018 07 21 69)

World-Herald dramatic recreation reads:

The Franklin Credit Union was established on or around July 21, 1969 by Reverend Jones. The union's start, according to reports by the World-Herald, was seen by Jones

as "a better start than most other credit unions." The credit union was said by Jones to serve a "Dual Role" in the Omaha community of "psychological impact and economic value." Analysis reveals reports that the credit union's "psychological impact" was expected to "be greater than its economic value." Jones did; however, expect that because the credit union was a "viable and organized effort, the newly formed union would grow to a future value of \$2.5 million."

World-Herald articles from 1970 to 1979 continue to highlight the actions of the credit union. Attention is placed once again on services the union provided for the community, and on the introduction of Larry King into the credit union. Emphasis is placed on the need and importance of the union's various services and on the extremes the union was willing to go to to serve its community. Articles had the tendency to portray actions of the union as humanitarian efforts aimed at serving the north Omaha community. Articles between 1971 and 1979 depict, structurally, the actions of the credit union supporting its original declaration of establishment and purpose:

1971

1. The union received no federal support  
(0191 12 10 71)
2. The United Presbyterian Church donated \$25,000  
(0101 12 10 71)
3. New credit union manager, Larry King, says the Franklin possibly forerunner to other unions  
(0201 12 10 71)
4. Union membership increased 30% (0185 12 10 71)

5. Financial positioning shown by development department of the Westly House to have bolstered (0165 12 10 71)
6. Union, states largest seller of food stamps (0123 12 10 71)
- 1973 7. OPPD services and Consumer Services Organization to be added to the list of Franklin services (0403 12 14 73)
8. Credit union to open Saturdays (0309 09 09 73)
- 1975 9. Union to expand to Woodson Center (0419 06 23 75)
- 1977 10. Consumer Services branch of the union receives grant of \$33,000 to train low income families (0684 10 12 77)
11. Larry King becomes chairman of the Metropolitan Credit Union Managers Association beginning in January of the following year (0706 11 18 77)
- 1979 12. The union helped people with problems (0739 07 15 79)
13. The union continues to be supported by donations (0800 09 16 79)

World-Herald dramatic recreation reads:

Articles confirmed that the credit union, even though named the "Franklin 'Federal' Community Credit Union, received no federal support." Thus, growth of the union was dependant on donations by community members. One such donator helping to keep the credit union's efforts alive was "The United Presbyterian Church, which donated \$25,000" to help the credit union pay for "federal insurance required for the union to stay" in business.

Sample articles indicate that the union saw a new insider, namely "Larry King," as of December 12, 1971. He spoke freely about the success of the union in meeting its initial organization goals. King inferred the possibility of success, quoting the "successful union to be a forerunner to possibly other unions."



Articles indicated that since June of 1970, the credit union had seen an increase in membership by 30%." Membership to the Franklin Credit Union was not the only aspect seeing growth. The "development department of the Westley House showed that the union had bolstered its financial position considerably." Articles indicated also that the credit union had become "the state's largest seller of food stamps," worked closely on services for the north Omaha area with "OPPD," and planned the development of a Consumer Services Organization.

The credit union scored "generally high marks on surveys given to approximately 2,000 of its low-income members" and continued to improve services rendered to its members by "opening on Saturdays." Continuing to increase its responsiveness to the needs of its members, the credit union "expanded to Woodson Center at 3009 'R' St," opening here the awaited Consumer Services branch of the organization. The new branch of the credit union "received a grant of \$33,000 which it planned to use to train low income people budget planning, the use of credit, and other consumer needs. The initiation of this education program came "through the credit union's work with utility problems" and served to back up the discovery by the union that "merely loaning people money" did not serve to meet the organization's "Dual Role."

As the credit union served under continued support by its members and community donations, Larry King, now referred to as the "manager" of the Franklin Community Credit Union, became named "chairman of the Metropolitan Credit Union Managers Association for the quarter beginning in January of the following year."

Analysis of World-Herald articles between the years of 1979 and 1987 indicates that the union, its actions, and people involved with its maintenance brought very little attention to the eye of the media. Coverage of union emphasized a continued support for the credit union and the services it supplied. Articles had a tendency to continue supporting the union by recognizing speakers, donors, and new services supplied by the community to the union. Structurally, articles bore no new facts that would change the established reputation of the Franklin Credit Union. Articles from these years support fantasy theme theory by not contributing to the chaining affect. Theoretically, the beginning of a fantasy theme is supported by heightened actions in an event. During these years, the actions of the credit union reflect the belief by the World-Herald that the existing rhetorical vision in relation to the credit union represented the union's continued actions.

The onset of 1989 brought with it a new interpretation of the Franklin and its actions. Attention in sampled

articles dated in this year was placed on the illegal actions of the credit union, the sexual abuse allegations, allegations made in the diversion of union funds for private and personal use by Larry King, and finally, on the hardship placed on the Omaha community due to the union's closing. Emphasis in World-Herald articles dated in this year focused on factually explaining how the actions of the credit union took place and how these actions lead to the closing of the union. Articles from the sample dated in the year 1989 had a tendency to describe the union and Larry King in relation to the credit union's actions, which were most often referred to as contributing to the failure of the union and hardship of the community. The structure of World-Herald articles dated in 1989 was non-supportive of the original 1969 union purpose and established goals. Concordance results read:

- 1989
1. The FBI wanted credit union records (1009 01 04 89)
  2. The credit union failed and Larry King is the treasurer and manager of the failed Franklin Credit Union (1023 01 04 89)
  3. The credit union received a subpoena (1360 01 05 89)
  4. A law suit is brought against the union for \$34 million dollars (1320 01 05 89)
  5. Law suit brought by National Credit Union Administration (1322 01 05 89)
  6. Suit alleges King diverted union money for personal use (1322 01 05 89)
  7. Despite charges, King insists the union is only closed temporarily (1396 01 07 89)
  8. The union was larger than it claimed to be (1701 01 11 89)
  9. Union failed to record 38.5 million dollars in CD's on the union's books (1555 01 11 89)

10. Union employees were compartmentalized (1689 01 11 89)
11. Only a couple of employees were privy to information (1697 01 11 89)
12. The failure of the Franklin known as Probe (2772 02 05 89)
13. The failure of the Franklin known as the case of the failed Franklin Credit Union (2950 02 12 89)
14. Case signals need for tighter controls on credit unions (2944 02 12 89)
15. Franklin fraud unusual (3059 02 12 89)
16. Money was diverted from the union (3545 03 09 89)
17. Massive fraud went undetected (3852 03 19 89)
18. Credit union defunct (3846 03 19 89)
19. King may have fled to another country (3846 03 1989)
20. Community urged to give union continued support (4160 03 23 89)
21. Case was designated harassment by the National Credit Union Administration (4188 03 23 89)
22. Case investigation was handled haphazardly (3972 03 23 89)
23. Larry King still reported to be a wonderful person (4188 03 23 89)
24. J.J. Exxon said he did not think highly of the defunct credit union before it failed (4072 03 23 89)
25. Aberean order supports credit union deposits by \$2 million (4304 03 24 89)
26. Executive wife, Alice, diverts millions from Franklin Credit Union (4568 03 31 89)
27. National Credit Union Administration should have been more aggressive in requiring Franklin audits (4646 03 31 89)
28. Union records not backed by assets - nearly 39.5 million dollars in certificates of deposits issued by the credit union were recorded on a secret set of records (4480 03 31 89)
29. Authorities remain steadfast in belief that fraud and wrongdoing would be uncovered in the Franklin case (4660 03 31 89)
30. Union seen as positive force in Omaha (4862 04 22 89)
31. Union far more than a place for people to save money (4816 04 22 89)
32. Credit union appeared to be small, little more than 2 million dollars in deposits (4958 05 09 89)
33. Regulators discovered that the Franklin attracted about \$40 million dollars which King denied diverting (5089 05 19 89)
34. Larry King, Jr. is arrested (5022 05 1989).

35. King charged with diverting union funds for personal use (5089 05 19 89)
36. National Credit Union Administration allege loss of \$29 million dollars from Franklin (5079 05 19 89)
37. Indictments of Larry King state that 1.9 million dollars was embezzled from the credit union for use in his own business (5284 05 21 89)
38. The Franklin was a unique case and aberration (5618 06 02 89)
39. National Credit Union Administration said 37.25 million dollars had been repaid to 1,441 insured Franklin depositors from NCUA's insurance fund (5862 06 02 89)
40. Credit union said to be milked of 38 million dollars (5544 06 02 89)
41. National Credit Union Administration was more tolerant of the problems in the Franklin than it would have been in a more typical credit union (5782 06 02 89)
42. Harvey's charged with embezzling \$1 million in Franklin funds and members of King's family in using \$10.2 million in Franklin funds (5654 06 02 89)
43. Harvey's charged with bank fraud and tax evasion while development officers in case plead not guilty (6243 06 12 89)
44. 38 million dollars missing from Franklin credit union (6425 06 15 89)
45. Allegations surrounding the failed Franklin Community Credit Union didn't yield much of a substantial nature (6921 07 16 89)
46. Loss of the Franklin a tragedy to the citizens of Omaha (8531 09 21 89)

World-Herald dramatic recreation reads:

Articles in 1989 indicate that with no precursor to its actions, the "FBI wanted credit union records." The Franklin Credit Union had failed and Larry King became instantly known as the "treasurer and manager of the failed credit union." The Franklin Credit "Union received a subpoena" in a law suit for \$34 million. The law suit brought against the union by the NCUA (National Credit Union Administration) "alleged that "King" diverted union money

for his own personal and business use." Despite the seriousness of the charges made against Larry King and the credit union, King insisted that the credit union was only "closed temporarily."

Articles written after the law suit filed against King and the union brought to the surface a host of facts unknown to the general public during the time the credit union was in operation. This sample of articles revealed that the Franklin Credit Union was "larger than it claimed to be," that the union "failed to record \$38.5 million in CD's on the union's official books, and that "employees were compartmentalized," which placed "only a couple of people privy to information" detailing credit union actions.

Media coverage within this sample continues to sight allegations made by the NCUA that Larry King and other credit union administrators "used Franklin funds for their own personal and business use." The failure of the Franklin Credit Union became what the World-Herald referred to as a "Probe."

Articles sampled revealed in the stir of the now known to be case of the "failed Franklin Credit Union" that the case may have signaled "a need for tighter controls." In confirmation of the fact that tighter controls were necessary, articles reported that "\$38 million in Franklin funds were missing.

In an article dated February 12, 1989, officials handling the Franklin case claimed that, "You don't find a lot of fraud like that of the Franklin Credit Union." Subsequent articles of the same year claim the money was "illegally diverted from the credit union," that "massive fraud went undetected," and that "the executive of the defunct Franklin Community Federal Credit Union may have fled to another country."

Articles in 1989 indicate that the development of a negative fantasy theme in relation to the failed Franklin Credit Union met with some community disbelief. The Omaha community was lead to believe that the union had done nothing wrong. The community was "urged to give the Franklin Credit Union continued support." In an article dated March 23, 1989, the failure of the Franklin Credit Union was said to be a "harassment by the NCUA, and handled haphazardly. Larry King, in the same year, was reported by the World-Herald as being seen by the community as "a wonderful person." Articles indicate that the community was aware the credit union had "made a major commitment to the minority" of Omaha.

As the seriousness of the Franklin failure became more and more apparent to the Omaha community, World-Herald articles reported more and more community members claiming no or minimal affiliation with the union. People like "Sen.

J.J. Exxon of Omaha said [they] did not think highly of the now defunct credit union before it failed."

Further aware that the Franklin failure was an event that would permeate the lives of Omahans for years to come, World-Herald articles began to focus on the details of how the acts of alleged money fraud, tax evasion, and slack regulation were carried out by members of the credit union. One supporting example given by the World-Herald was "the Aberean order," a financial organization "in Sioux City, South Dakota that had deposited more than 2 million dollars into the Franklin through an order" for people outside the Omaha community who wished to support the Franklin cause.

World-Herald articles sampled in 1989 continue to restate the early facts surrounding the case of the failed Franklin Credit Union: "executive Larry King and wife, Alice, fraudulently divert millions from Franklin for business and personal use;" the NCUA should have been more aggressive in requiring Franklin audits;" and "union records were not backed by assets - nearly 39.5 million dollars in certificates of deposit issued by the credit union were recorded on a secret set of records."

World-Herald articles sampled in 1989 suggest that as time passed, authorities involved in the Franklin case remained steadfast in their belief that "fraud and wrongdoing would be uncovered" and revealed to the



community. Articles suggest that the foundation of the credit union "was a positive force in Omaha;" that the "Franklin was far more than a place for people to save money." Once a community pillar, the Franklin Credit Union "appeared to be a small community based credit union with little more than \$2 million in deposits." Regulators discovered that Franklin had actually attracted about \$40 million from investors.

Articles sampled in 1989 confirm that "Lawrence E. King, Jr., manager and treasurer of the failed Franklin Community Federal Credit Union, was arrested." King, formally charged in four law suits for diverting money from the credit union for his own personal and business use, and King's family face civil law suits by the National Credit Union Administration over the alleged loss of \$29 million. Articles sampled highlight the indictments of Larry King, stating that "1.9 million dollars was embezzled from the credit union for use in his own business."

World-Herald reports in 1989 suggest that "the Franklin was a unique case, an aberration." The NCUA "said \$37.25 million had been repaid to 1,441 insured Franklin depositors from NCUA's insurance fund." And even though the NCUA reported repaying the deposits to insured depositors, articles reflect an acute awareness of the misleading actions of the credit union. This awareness is exemplified

by a June 2, 1989 article written about the union which refers to the failed Franklin as having been "milked of \$38 million dollars."

Articles written after the arrest of Larry King focused on details unknown to the public while the credit union was not being questioned about its practices. World-Herald articles suggest that "without question, the NCUA was more tolerant of the problems in the Franklin Credit Union than it would have been in a more typical credit union."

In that same month and year, World-Herald articles sampled tie to the credit union the Harveys, the credit union's accountants, and family members within King's immediate family. World-Herald articles sampled charge the "Harveys with embezzling \$1 million in Franklin funds and the members of King's family in using \$10.2 million" for personal matters.

While articles in 1989 sight the Harveys admitting to the "embezzlement of 1 million dollars from the Franklin and to bank fraud and tax" evasion, the "Kings and other Franklin development officers in the same articles are reported pleading not guilty" to the comparable charges. These same articles still sight "\$38 million dollars missing from the Franklin Credit Union." According to a report in July, claims surrounding the failed Franklin Community Credit Union didn't yield much of a substantial nature."

In the final months of World-Herald coverage, sampled articles reiterate that union "funds were being illicitly removed from the credit union for the purpose of supporting the extravagant" spending habits of Larry King, his family, and other union administrators. Despite these declarations, articles report the loss of the Franklin to be a "tragedy for the credit union members and the citizens of Omaha."

The CHAINING of a FANTASY THEME into FANTASY TYPES

The World-Herald depiction of the Franklin Credit Union uses references that are similar in mood, tone, and meaning, suggesting that fantasy types do exist in the depiction of the Franklin Credit Union by the World-Herald. Articles dated before 1989 represent the credit union with the following terms:

1. The Union (0123 12 10 71)
2. The Credit Union (0004 07 21 69)
3. The Franklin Union (0201 12 10 71)
4. The Franklin Credit Union (0575 05 13 77)
5. The Franklin Community Credit Union (0032 07 21 69)
6. The Franklin Community Federal Credit Union  
(0016 07 21 69)

As of 1989, articles referring to the Credit Union used terms which included the originally listed reference terms, but added to the list the following referents to the union:

1. The Failed Credit Union (4080 03 23 89)

2. The Franklin Case (2968 02 12 89)
3. The Failed Franklin Community Federal Credit Union  
(4018 03 23 89)
4. The Franklin Probe (1717 01 12 89)
5. The Collapse of the Franklin Community Federal  
Credit Union (4694 04 06 89)
6. The Failure of the Omaha Credit Union  
(2950 02 12 89)
7. The Omaha Credit Union's Collapse (6837 07 16 89)
8. The Credit Union Failure (7681 07 27 89)
9. The Franklin Collapse (5620 06 02 89)
10. The Probe of the Franklin Community Federal Credit  
Union Failure (2760 02 05 89)
11. The Franklin Situation (2818 02 05 89)
12. Franklin's Failure (5494 05 25 89)
13. The Credit Union Collapse (4708 04 06 89)
14. The Franklin Credit Union Dissolution  
(3481 03 08 89)
15. The Franklin Debacle (3505 03 08 89)
16. The Franklin Investigation (3806 03 15 89)
17. The Defunct Franklin Community Federal Credit Union  
(3846 03 19 89)
18. The Franklin Community Federal Credit Union Failure  
(3970 03 23 89)
19. The Credit Union Failed (4080 03 23 89)

20. The Collapse of the Omaha Credit Union  
(4708 04 06 89)
21. The Franklin Collapse (5022 05 19 89)
22. The Failure of the Franklin (5494 05 25 89)
23. The Franklin Community Federal Credit Union  
Insolvency (6933 07 16 89)
24. The Probe of the Failed Franklin Community Federal  
Credit Union (6975 07 19 89)
25. The Now-Defunct Franklin Community Federal Credit  
Union (7325 07 27 89)
26. The Failure of the Credit Union (7820 08 03 89)
27. The Credit Union Case (7895 08 10 89)
28. The Franklin Loss (8475 09 21 89)
29. The Franklin Tragedy (8531 09 21 89)
30. The Franklin Suit (8687 12 01 89)
31. Union Matters (8889 12 01 89)

Overlapping these lists prompts the discovery that terms used to describe the union are not only all related in meaning and tone, but also, are all related to the original fantasy theme terms used to describe the Franklin Credit Union before it closed:

1. The Union
  - a. Union Matters
2. The Credit Union
  - a. The Failed Credit Union

- b. The Failure of The Omaha Credit Union
  - c. The Omaha Credit Union's Collapse
  - d. The Credit Union Failure
  - e. The Credit Union Collapse
  - f. The Credit Union Failed
  - g. The Collapse of the Omaha Credit Union
  - h. The Failure of the Credit Union
  - i. The Credit Union Case
- 3. The Franklin Union
  - a. The Franklin Case
  - b. The Franklin Probe
  - c. The Franklin Collapse
  - d. The Franklin Situation
  - e. Franklin's Failure
  - f. The Franklin Debacle
  - g. The Franklin Investigation
  - h. The Failure of the Franklin
  - i. The Franklin Loss
  - j. The Franklin Tragedy
  - k. The Franklin Suit
- 4. The Franklin Credit Union
  - a. The Franklin Credit Union Dissolution
- 5. The Franklin Community Credit Union
- 6. The Franklin Community Federal Credit Union
  - a. The Failed Franklin Community Credit Union

- b. The Collapse of the Franklin Community Federal Credit Union
- c. The Probe of the Franklin Community Federal Credit Union Failure.
- d. The Defunct Franklin Community Federal Credit Union
- e. The Franklin Community Federal Credit Union Failure
- f. The Franklin Community Federal Credit Union Insolvency
- g. The Probe of the Failed Franklin Community Federal Credit Union
- h. The Now-Defunct Franklin Community Federal Credit Union

Overall, the development of the credit union fantasy themes in the early years of its establishment created an initially humanitarian perspective of the Franklin Credit Union. World-Herald articles describe the union as the Franklin Credit Union and supported this "theme" with descriptions of the union's events that supported such a theme. In analyzing articles dated before 1989, the humanitarian drama projected by the paper met with no opposition and no alteration of descriptive terms by the public. This suggests that the articles describing the work and establishment of the union were written in terms

commonly accepted by the community. Community members were never told "what type" of union, only that "the union" had or would make contributions to the community. The omission of a "type" designation in early articles suggests that articles were written with a preexisting "rhetorical vision." A rhetorical vision of "credit unions" as institutions established to serve the financial needs of communities, that credit unions were generally helping institutions, and that the establishment of the credit union in areas needing of such services would provide those services, all, with the interest of the community in mind. World-Herald articles covering the establishment and growth of the credit union in Omaha confirm the existence of such a "theme" by continually emphasizing the role that the credit union was playing in the Omaha community.

Coverage of the role of the credit union changed in 1989. The term "credit union" was no longer representing a commonly shared understanding of what existed in the Omaha community. In other words, the Franklin Credit Union was no longer just a "credit union;" it had become a "failed credit union." Additional terms added to the credit union suggest that the credit union theme evolved into fantasy types created by a new combination of setting, persona, and plot line during this year. The fantasy types in coverage by the World-Herald all describe the Franklin Credit Union as a



credit union which had "failed," "collapsed," or otherwise ended. The Franklin Community Credit Union became known as a "type" of credit union, not just a "credit union."

The CHAINING of FANTASY TYPES into a RHETORICAL VISION

In no instance was there a clear pattern establishment found in sampled articles written by the World-Herald about the Franklin Credit Union. At no point in analyzing articles referring to the credit union did one word or phrase stand out as being used repeatedly or solely in reference to the Franklin Community Federal Credit Union.

Results of this sample support the hypothesis that a theme in relation to the credit union developed through World-Herald coverage of the credit union failure.

Initially, the Franklin Credit Union had a setting, persona, and plot line which developed a humanitarian fantasy theme. Through the evolution of the credit union's failure, its fantasy theme changed and the union was described by "fantasy types" based on the evolution of a new fantasy theme. But, article analysis and plot analysis of the event suggest that the failure of the Franklin was more than the "failure" of or "collapse" of the union. No clear pattern of representation or recreation could be established in the pilot study, indicating that no rhetorical vision was discovered through the examination of sampled articles.

There is; however, clear indication that the drama of the credit union was initially accepted by the community, suggesting the possibility of a pre-established rhetorical vision about the credit union's existence. After the failure of the credit union, this vision became a theme from which community members chained out new fantasy types.

In conclusion, this pilot study suggests that the combination of fantasy theme analysis and content analysis is extremely accurate and effective. The pilot study accurately depicted the drama created by World-Herald coverage of the failed Franklin Credit Union and clearly displayed the process of chaining by indicating that fantasy types in relation to the Franklin Credit Union exist. Fantasy types exhibited no patterns, thus, no rhetorical visions were discovered. However, the development of existing fantasy themes and record of their evolution into fantasy types confirms the accuracy of the combined methodology and computer analysis in this study.

## APPENDIX B

### Detailed Methodology Procedures

The purpose of this appendix is to give future users of the method described in chapter 4, Methodology, of this work, the step by step procedures used to complete this study. Combining the methods of fantasy theme analysis and content analysis, research completed before this study left me with little indication of exactly how an actual analysis should be approached.

A fantasy theme analysis is the discovery of the setting, persona, and plot line of an event. These elements depict fantasy themes. Themes similar in meaning can be classified into fantasy types. Fantasy types which exhibit patterns create rhetorical visions. Rhetorical visions are shared images of events and are represented by the chaining or evolution of a fantasy theme into a common perception of a specific event. As a vehicle to more accurately represent and follow this chaining process, computer techniques were also added to the foundations of this combined method of analysis. The computer program used is called GENCORD (see Footnote 1).

This study analyzes the dramatization of the Franklin failure by the World-Herald newspaper. A content of World-Herald newspaper articles about the credit union were collected and chronologically ordered. Articles dated

from July of 1969 through September of 1990 and totaled 674 without repeats.

After articles were collected and chronologically ordered, they were read, typed into ASCII files, and placed on floppy diskettes. Each article was typed alternating a line of text and a blank line, a line of text etc. Each line was coded with a line number and a date in the form, line number, month, day, and year (ie. Line 7 of text from an article dated August 31, 1989 would be coded as 0007 08 31 89) (see Footnote 2). This process is necessary to later analyze results from a Gencord Concordance.

The details of Gencord are listed in a publication entitled "PC GENCORD," by Richard Hotchkiss (Hotchkiss, Zacharski, and Rindflesh, 1989). In short, the program can give the context of words surrounding specific terms called a key list words (Hotchkiss et al., 1989). This resultant is called a concordance (Hotchkiss et al., 1989). The key list is made up of words chosen by the researcher, and in this study consisted of the words Franklin, credit, union, Larry and King.

The typed ASCII files served as data files for the Gencord program. Concordances from the program list all occurrences of the words in the key list, their supporting context and their line codes. Using the line number and date as fields for a sort program on the VAX\EDT, the key list

was then separated and sorted chronologically (see Footnote 3). This produced a chronological listing of key words in contexts. Computer output files, after sorted by the VAX, represent all occurrences of each key term, its surrounding text, the line number, and its date, listed chronologically.

Having line numbers and dates, setting, persona, and plot line, the act of discovery becomes a task with accuracy. A researcher can even go back to the original data and find exact locations of depictions portrayed by the context.

The focus of this analysis is on the drama recreated by World-Herald newspaper articles about the Franklin Credit Union failure.

Analysis consists of reconstructing the event using data output files concorded by Gencord and analyzing this data to determine if a chaining of a fantasy theme into a rhetorical vision exists.

## APPENDIX C

## Setting Text Lines 1-31

- 1969 1. Credit union will move to new offices at 3317 North  
Thirty Third street (00000003 04 04 69)  
2. Alfred Thomas, executive director of the union, said  
it has about 180 members (00000007 04 04 69)  
3. Union was formed last January (00000011 04 04 69)
- 1970 4. Lawrence E. King, Jr, 25, is manager of the credit  
union (00000031 07 26 70)  
5. King, who was with The First National Bank, replaces  
Alfred Thomas (00000037, 00000039 07 26 70)  
6. The credit union is open to persons living in the  
area bounded by Cuming and Bedford ave  
(00000039, 00000043 07 26 70)  
7. Money saved in the credit union earns interest  
(00000043 07 26 70)
- 1972 8. The credit union a bedrock organization  
(00000081 07 09 72)  
9. In January 1969, the Franklin Community Credit Union  
began with total assets of 127.5 (00000095 07 09 72)  
10. The credit union, herein refered to as Franklin, is  
in the business of making small loans to pay for  
aid to dependent children and beds for families  
(00000109, 00000115 07 09 72)  
11. Franklin is not a government sponsored agency  
(00000115 07 09 72)  
12. The union sells food stamps (00000123 07 09 72)
- 1973 13. Credit union name may be misleading  
(00000135 01 19 73)  
14. King said the union now has \$60,000 in deposits  
from 1,000 investors (00000141 01 19 73)  
15. King said when the union started it had 29  
investors and \$127 in capital (00000155 01 19 73)  
16. The union would like to reach \$200,000 in deposits  
(00000161 01 19 73)  
17. Union adminiatration has authorized The Franklin  
Union to lend money to persons living or working in  
the union's bound areas  
(00000163, 00000173 01 19 73)  
18. As deposits grow the credit union will be able to  
expand its lending area (00000175 01 19 73)  
19. Dividend is comparable to that paid by other credit  
unions and other financial institutions  
(00000179 01 19 73)  
20. The dividend is notable because the union only  
charges one percent interest (000000181 01 19 73)

21. The director said the union's delinquency rate is 5 percent a loan (00000193 01 19 73)
22. The Franklin Community Federal Credit Union plans to begin a survey of low income (00000199 07 31 73)
23. Credit union itself got generally high marks (00000269 07 31 73)
24. Consumer education classes will be started and the credit union will begin opening Saturdays (00000275 07 31 73)
- 1974 25. Dividend up at The Franklin Community Federal Credit Union (00000283 01 12 74)
26. Credit union serves mostly low income persons (00000293 01 12 74)
27. King said the credit union hopes to establish a South Omaha branch at Woodson (00000309 01 12 74)
28. Self help that works The Franklin Community Federal Credit Union (00000351 10 01 74)
29. Food stamps had to be dispersed by police (00000359 10 01 74)
- 1975 30. Larry king manager said deposits at the 6 year old credit union total \$250,000 (00000385 07 11 75)
31. He said assets total more than \$300,000 and \$200,000 in loans (00000385, 00000387 07 11 75)

## APPENDIX D

## Persona Text Lines 1-12

- 1970 1. King is manager of credit union (00000031 07 26 70)  
2. King, 25, of North Twenty Eighth Avenue  
(00000035 07 26 70)  
3. King who was with The First National Bank before  
(00000035 07 26 70)
- 1972 4. Frankly, there were some rough spots at first,  
King said, But we believe our track record now is  
good (00000085 07 09 72)
- 1973 5. The union has paid its first annual divedend King  
said the union now has \$60,000 in deposits from  
1,000 investors and 127 in capital. By the end of  
this year, King said he would like to reach \$200,000  
in deposits (00000141, 00000159 01 19 73)  
6. Rated good will be distributed to the public. King  
said lists of those rated bad will be compiled but  
not distributed for fear of libel suit he said. King  
said the survey will ask for an evaluation  
(00000213, 00000217 07 31 73)  
7. Urged that consumer education classes be started.  
King said the credit union will begin opening  
Saturdays (00000275 07 31 73)
- 1974 8. He said next year's goal is \$300,000. King said  
he plans to seek large deposits (00000297 01 12 74)  
9. The union says manager, Larry King, is negotiating  
for two branch offices (00000359 10 01 74)  
10. We commend King and his co-workers for their  
constructive efforts (00000367 10 01 74)  
11. Omaha Utilities Task Force member, Larry King  
manager of the Franklin Community Credit Union  
(00000443 11 19 76)  
12. Try to help persons with utility bill problems.  
Larry King, manager of Franklin Community Credit  
Union (00000539 10 01 74)



APPENDIX E

Persona Text Lines 13-15

- 1977 13. King said the credit union badly needs donations  
(00000557 10 22 77)
14. Trouble with bills to the credit union  
(00000575 10 22 77)
15. King said donations to the utility fund may be sent  
(00000575 10 22 77)

## APPENDIX F

## Persona Text Lines 16-35

- 1981 16. A man walked up to the counter stuck a pistol in King's stomach and demanded money King's adreanlin started (00000839 02 03 81)
17. The weapon aside, don't you ever point at me, King yelled. A tongue lashing followed (00000845 05 03 81)
18. By his own admission, King, 36, is an impatient survivor (00000909 05 03 81)
19. The betterment of the underprivileged of Omaha, King said Franklin is a helper not a leader (00000917 05 03 81)
20. Is a helper not a leader in the community. In fact King deplores self appointed leaders (00000919 05 03 81)
21. King depends upon the employees to run the business (00000949 05 03 81)
22. King is director of volunteer services for United Way (00000975 05 03 81)
23. Wife, Alice P. King, and son, Lawrence E. King, III (00000975 05 03 81)
24. Their contributions to the community (00000985 05 03 81)
25. The few still in operation in August of 1960. Larry King, 25, working at First National Bank, got a call from (00001023 05 03 81)
26. Is employed by a Chicago foundation. Wead asked King to take over at Franklin. It would be a one man (00001029 05 03 81)
27. With outstanding loans. To start paying them off King, the son of Pancho and Vineta King, former North Omaha laundry owners (00001035, 00001037 05 03 81)
28. The auditors showed up two minutes after King got to work. The main problem was that no record (00001049 05 03 81)
29. Organization, plus, there wasn't any money to run things. King said, simply speaking, I put things in order (00001053 05 03 81)
30. Invited people in to see the Franklin story at work. King didn't put in many eight hour days (00001079 05 03 81)
31. Harold W. Anderson to The World-Herald said Larry King and the credit union under his direction, are most worthy of community support. Larry has provided the leadership which has made this a

- (00001145, 00001149 05 03 81)
32. Some thought Franklin was a federal give away program (00001177 05 03 81)
  33. King remembers the turning point in his life. It was a cold day and an 11 year old walked in to get warm. King said, I asked if he was going to school. He said no (00001181 05 03 81)
  34. The cunsulting services have paid handsomely and King Catering is doing well. We can't handle all the (00001217 05 03 81)
  35. Wife and I love to cook and to entertain. King has never lost his faith in God (00001225 05 03 81)

## APPENDIX G

## Persona Text Lines 36-310

- 1988 36. Lawrence E. King, Jr. joined the struggling credit union (00001459 03 11 88)
37. Million dollars in credit union funds are missing. King is a target of a federal criminal investigation (00001465 03 11 88)
38. He and others have been duped if charges against King are substantiated, the most shocking example of being (00001473 03 11 88)
39. There has been a sort of media lynching. Certainly Larry King and his friends must feel that way (00001591 03 11 88)
40. He has had a friendly civic relationship with King but did not consider him a social friend (00001607 03 11 88)
41. Andersen said he was aware that the Kings had an upscale lifestyle, but he said he believed King had legitimate sources of income other than his (00001617 03 11 88)
42. King, President of CSO and Manager of the credit union (00001751 10 23 88)
43. As the first Executive Director, he was succeeded by Lawrence E. King, Jr. in July 1970. King has remained Executive Director since (00001943 00001947 11 07 88)
44. King computer is misread. Credit union is missing funds (00001947 11 13 88)
45. There are no unrecorded CD's (00002009 11 13 88)
46. King said federal authorities may not understand (00002009 11 13 88)
47. Organizations. We just didn't have a person like Larry who would get out and sell the credit union. Wead said King has been the key man in developing Franklin (00002109 00002111 11 13 88)
48. Board filed a \$34 million civil lawsuit against King, alleging that he diverted the money for his (00002261 11 16 88)
49. Union executive lived well. Records show in Omaha Lawrence E. King Jr. drove a new Mercedes (00002351 11 20 88)
50. Federal authorities moved to freeze King's assets in the wake of a \$34 million lawsuit (00002361 11 20 88)
51. Mardi Gras and Dallas South Fork ranch, King and offered to provide a cocktail party and dessert (00002381 11 20 88)

52. As a 14 year old in Omaha, King took out the garbage and did chores at the Blackstone Hotel (00002385, 00002389 11 20 88)
53. At 44, King is struggling to defend himself against allegations (00002389 11 20 88)
54. Union miracle worker, federal regulators accused King last week of diverting money from the Franklin (00002395 11 20 88)
55. The National Credit Union Administration said King kept a second set of financial records (00002401 11 20 88)
56. More than \$33 million in certificates missing. King allegedly used the money to pay for limousine rides (00002405 11 20 88)
57. King would not be interviewed for this story (00002409 11 20 88)
58. Friends and associates paint King in a different light. To them, he is generous (00002419 11 20 88)
59. Member of Calvin Memorial Presbyterian Church, where King is an elder. We've always held the family in high repute and Larry King, too an Omaha native (00002427 11 20 88)
60. The credit union was struggling when King came on the job in July of 1970 (00002441 11 20 88)
61. King enlisted help from local churches (00002461 11 20 88)
62. King ventured into other fields of business (00002471 11 20 88)
63. Last fall, King bought Cafe Carnavale at 7555 Pacific St. (00002507 11 20 88)
64. King used to be partial to Chevrolet Corvette's (00002533 11 20 88)
65. King usually wears two or three rings, including a pinky (00002547 11 20 88)
66. Records filed in U.S. District Court indicate that King spent \$19,769 at Landons clothing store (00002553 11 20 88)
67. King's eight year old son, Prince, sported a diamond ring (00002571 11 20 88)
68. King has explained his spending as part of being a role model for young blacks (00002575, 00002579 11 20 88)
69. In a 1985 interview, King recalled that a 10 year old boy told him that he, Manager of a credit union, you're crazy the youth told King. Several friends of King's repeated the anecdote (00002585 11 20 88)

70. Fire Girls, Head Start, and The Salvation Army. King also represented Calvin Memorial Church (00002601 11 20 88)
71. Prince, formally known as Lawrence E. King, III, attends the private Brownell Talbot School (00002613 11 20 88)
72. Friends and co-workers said King goes out of his way to offer assistance to people (00002625 11 20 88)
73. He's got a big heart (00002635 11 20 88)
74. Taped for television, an accomplished Baritone, King sang The National Anthem at the 1984 GOP (00002675 11 20 88)
75. At the Republican convention in New Orleans, King orchestrated a party for about 1,000 people (00002679 11 20 88)
76. Larry has a pretty high profile in Washington (00002719 11 20 88)
77. King was in town perhaps twice a month for several days (00002741 11 20 88)
78. Good tenant, she said he kept the house immaculate. King hired a house keeper to take care of the house (00002753 11 20 88)
79. He liked the house to be watched she said. King moved out early last week without telling her (00002757 11 20 88)
80. The move was prompted by King's attorneys. We suggested that he should cut his (00002761 11 20 88)
81. About the same time as the Washington move, the Kings transferred ownership of their Ponca Hills property which changed hands for \$39,000 and was intended to pay King's legal expenses. The transfer took place Monday (00002765, 00002771 11 20 88)
82. King's assets frozen (00002775 11 20 88)
83. Besides his Omaha and Washington residences, King has maintained apartments at various locations (00002777 11 20 88)
84. King traveled as often as weekly, mainly to Los Angeles, Chicago, New York, Washington. The employees said King usually had an entourage of five to ten people. King's favorite hotels include The Ritz Carlton, Beverly Wilshire, where King was considered a frequent guest (00002795, 00002797, 00002799, 00002807 11 20 88)
85. Chartered jet. The party generally flew first class. King recently has used Executive Jet Air, a charter (00002821 11 20 88)

86. Firms such as KAM Air, which received \$44,952 from King from June through December 1987, court records (00002827 11 20 88)
87. Gail Holmes would not give details of King's limousine bills for ground transportation (00002849 11 20 88)
88. Co-owned The Showcase Lounge before selling it to King (00002855 11 20 88)
89. Some people, including his friends, wondered how King could live so well as Manager of the relatively (00002863 11 20 88)
90. A lottery. Several people speculated that Alice, King's family in Jamaica is affluent and has provided money to the Kings (00002879, 00002881 11 20 88)
91. More than \$46,000 in checks deposited in King's checking account at Omaha National Bank (00002893 11 20 88)
92. Others said they find it difficult to believe that King has done anything wrong (00002915 11 20 88)
93. I hear all the evidence he said. I haven't talked to Larry said Takechi. It's very confusing (00002919 11 20 88)
94. He said he has been fanscinated by King's prolific entertaining (00002921 11 20 88)
95. It isn't that King's parties are particularly opulent he said, but the fact that King has held such events so frequently (00002921, 00002925, 11 20 88)
96. A \$34 million law suit against King is pending in U.S. District Court (000029953 11 23 88)
97. Series of fraudulent dishonest and illegal acts. King must turn over all his real assets and personal (00002961 11 23 88)
98. Frederick may lease all the real estate except King's home, and may collect the rent (00002999 11 23 88)
99. To reclaim furniture and other belongings that King sold or removed recently from his rented home (00003003 11 23 88)
100. Fredrick was also instructed to take possession of King's jewelry, including a gold watch valued at \$65,000 (00003009 11 23 88)
101. King co operates a catering business restaurant (00003021 11 23 88)
102. Deposits and credits that might be held by King both in Nebraska and elsewhere (00003039 11 23 88)
103. Any assets that might be held by other people for King's benefit, according to the court order (00003043 11 23 88)

104. A restraining order preventing King from disposing of any of his property (00003073 11 23 88)
105. Ex-chief of credit union denies diverting money. Lawrence E. King, Jr., former chief executive of the failed (00003167 12 07 88)
106. In a one page document filed in U.S District Court, King asked that the court dismiss a civil law suit filed (00003175 12 07 88)
107. In a seperate document filed Tuesday, King asked for a jury trial (00003181 12 07 88)
108. Attorney, William Morrow, signed King's response which generally admitted only general (00003195 12 07 88)
109. The federal agency acknowledged that King was Franklin's Treasurer and Manager. The document (00003199 12 07 88)
110. King says cafe remains open (00003361 12 09 88)
111. The NCUA has accused King of diverting the money from the Franklin community (00003371 12 09 88)
112. The Franklin Community Federal Credit Union. King was manager and treasurer of the credit union (00003373 12 09 88)
113. Erroneous impression that Cafe Carnavale is closed. King wrote the negative publicity has caused a drop (00003379 12 09 88)
114. King was frivolous, unreasonable without foundation (00003397 12 13 88)
115. Filed a \$34 million civil law suit against King, former chief executive of the failed Franklin (00003409 12 13 88)
116. The lawsuit alleged that Franklin, under Kings direction, sold certificates of deposit but did not record them on the credit union's books. King later used the money on personal and business (00003413, 00003415 12 13 88)
117. Disqualify Erickson and Sederstrom from representing King because the firm has handled Franklin issues in the (00003423 12 13 88)
118. In the past, The NCUA filed its lawsuit against King in its role as Franklin's liquidating agent (00003425 12 13 88)
119. The Erickson and Sederstrom firm has represented King for more than three years (00003429 12 13 88)
120. Has harmed businesses owned by Lawrence E King, Jr., former Franklin Credit Union manager (00003473 12 14 88)
121. The businesses Cafe Carnavale, Showcase Lounge King Company and Catering and Akasaka restaurant (00003477 12 14 88)



122. Allen furniture filed a lawsuit, Tuesday, alleging that King had not made the December 1 payment due under a 1985 installment payment plan. The store contends that King still owes \$26,005 under the contract (00003761, 00003765 12 22 88)
123. Lawyer, Keith Fredrick, was given control of King's assets last month by U.S District Judge (00003775 12 22 88)
124. Lawrence E. King, Jr. was chief executive officer of the failed Franklin (00004243 12 25 88)
125. The NCUA's \$34 million lawsuit against King mentions an 8888-1 account, an aparent reference to (00004279 12 25 88)
- 1989 126. Franklin's chief executive, Lawrence King, has denied the allegation (00004463 01 11 89)
127. The Franklin memos, some of them addressed to King, were used as exhibits in King's deposition (00004487 01 11 89)
128. King had home in Washington (00004831 01 21 89)
129. Journal describes troubles. Flamboyance of King is protrayed in a page one story (00004963 02 08 89)
130. The journal says King has been accused by federal agency of plundering (00004977 02 08 89)
131. Betrayed for years. The burly credit union manager, King, preached a bootstrap philosophy with much appeal (00004989 02 08 89)
132. King was considered a role model in the black (00004993 02 08 89)
133. The journal says it appears that Mr. King was adept at spinning and engaging tale (00004993 02 08 89)
134. Reimbursed the institution for the expenditures. Mr. King did not steal anybody's money (00005011 02 08 89)
135. The article discusses, at length, King's rise from a waiter for a hotel in downtown Omaha (00005015 02 08 89)
136. Enthusiastic in their support of Franklin and Mr. King (00005021 02 08 89)
137. Franklin appeared to thrive and so did Mr. King. Omaha civic groups showered him with honors (00005049 02 08 89)
138. Featured a 26 ounce slab of prime rib called Mr. King's Cut. King also became a fund raiser and contributor (00005065 02 08 89)

139. The journal says King's lifestyle started to raise questions in Omaha (00005077 02 08 89)
140. Was a friend of and received gifts from Lawrence E. King, Jr. chief executive of Franklin (00005145 02 26 89)
141. Said Douglas County Sheriffs Captain Robert Tramp King brought presents for him, Tramp said, and partied (00005149 02 26 89)
142. The King/Rogers connection was severed (00005155 02 26 89)
143. Young men, usually white and in their 20's, for whom King brought gifts and on whom he bestowed favors said King had leased them apartments, rented them cars (00005179, 00005185 02 26 89)
144. Another of the men said he once accompanied King on a private jet to Los Angeles just to purchase a \$23,000 crystal chandelier for King's house on River Road. The man said their limousine driver was flabbergasted by the purchase. King said the comments of the men were junk (00005209, 00005211, 00005213 02 26 89)
145. King is alleged to have improperly diverted at least \$34 (00005219 02 26 89)
146. There was a social relationship between Rogers and King, said Bruce Barnard, owner of The Max, dance club (00005233 02 26 89)
147. A November 20, 1986 letter signed Lawrence E. King, Jr., and addressed to Rogers survivors, described Rogers as an employee of King and expressed condolences for his death (00005289 00005291 02 26 89)
148. He said Rogers was acting weird. The two argued over King. Hansen said, I said I didn't like him seeing King. Hansen said he said he'd see Larry one more time (00005465, 00005467 02 26 89)
149. Difficult to believe that Franklin's Chief Executive, Lawrence E. King, Jr, and those involved with him could have spent \$39 (00005715 03 12 89)
150. The lawsuits allege that King diverted Franklin funds for his personal (00005799 03 12 89)
151. He said the lawsuits would even prevent King from selling or copyrighting the story (00005809 03 12 89)
152. Fenner said the possibility that King might try to sell the story was one of the many rumors (00005811 03 12 89)

153. Says lifestyle paid out of own cash. Lawrence E. King, Jr. said he financed his affluent lifestyle (00005973 03 23 89)
154. Larry King is the target right now my main concern is clearing my name of this alleged taking of funds (00005991, 00005995 03 23 89)
155. King, a Republican who contributed more than \$37,000 (00005995 03 23 89)
156. King asked The Omaha World-Herald to stop writing (00006035 03 23 89)
157. King said lifestyle was due in part to his catering (00006043 03 23 89)
158. I think the rumor was out that Larry King had a high lifestyle (00006047 03 23 89)
159. Lawrence King, Jr., Chief Executive of the failed Franklin community (00006111 03 29 89)
160. Lawrence King, Jr. could not be reached for comment (00006123 03 29 89)
161. The lawsuit alleges that King fraudulently transferred funds from Franklin (00006129 03 29 89)
162. Nor was King active in the national group for credit unions (00006461 04 16 89)
163. Million lawsuit against Franklin Manager, Lawrence E. King, Jr., as well as lawsuits against King's wife, Alice, his sons trust fund (00006533, 00006535 05 12 89)
164. King donated \$25,350 to aid lobbying group. A \$25,350 donation made in 1987 by Lawrence E. King, Jr. placed him among the largest contributors (00006557, 00006559 05 21 89)
165. King's \$25,350 donation qualified him for Founders Club (00006613 05 21 89)
166. His name doesn't appear on the 1986 donation list. King made other gifts to Citizens For America, but none as large as the \$25,350. Divine said King's donation was easily his largest to a political (00006627, 00006629 05 21 89)
167. Grand Jury in Omaha alleged that the Kings and others conspired from July 1976 through last (00006741 05 24 89)
168. Attorneys for the Kings waived the reading of the 26-page indictment (00006747 05 24 89)
169. Accusations of child abuse allegedly involving Lawrence E. King, Jr., Franklin's former chief executive (00006805 06 01 89)
170. Toward King, Mrs Harvey said I am sorry that Larry King cannot face up to what he has done and be remorseful (00007003 06 11 89)

171. Mrs. King was charged with 12 counts of conspiracy, wire fraud, and bank fraud (00007011, 00007013 06 11 89)
172. The Kings pleaded innocent in all \$38 million in Franklin (00007013 06 11 89)
173. Mrs. Harvey said she thought the King's lifestyle was a bit much. She said she talked to King about it from time to time without success (00007027 06 11 89)
174. Jury indictment says valuable items, while the Kings were spenders the Harveys were collectors (00007039 06 11 89)
175. Mrs. Harvey said I still believe that Larry in those days was a very sincere person (00007081 06 11 89)
176. I trusted Larry (00007099 06 11 89)
177. We never held a Board of Directors meeting and Larry made all the decisions. Stories conflict (00007103 06 11 89)
178. King made all the decisions (00007111 06 11 89)
179. King has told a different story (00007111 06 11 89)
180. King directed Mrs. Harvey to falsify documents (00007155 06 11 89)
181. Special hearing to target quality of King probes, the quality of investigations into reports (00007383 06 21 89)
182. Attorney General's office to investigate reports that King was allegedly involved in child abuse (00007413 06 21 89)
183. In the probes were attributable to the fact that Mr. King was somewhat influential (00007457 06 21 89)
184. Schmit said King's alleged influence was cited earlier this month (00007457 06 21 89)
185. Top political and business leaders supported King and Franklin. It was in an atmosphere of influence (00007467 06 21 89)
186. Hobbs said he had a personality conflict with King and that relations were strained (00007655 07 17 89)
187. Alleged improprieties involving King, until recently, when Federal Investigators began (00007679 07 17 89)
188. Fenner said a Federal Grand Jury has indicted King, 44, former Franklin Manager and Treasurer, on 40 counts of bank fraud, conspiracy and other crimes. Wife was indicted on 12 counts (00007773, 00007777 07 19 89)

189. Supporting the extravagant lifestyle of Mr. King and others (00008043 08 10 89)
190. Fraudulent scheme and to support Mr. King's lifestyle, the lawsuit said (00008061 08 10 89)
191. The embezzlement and tax evasion trial of Lawrence E. King, Jr., Manager and Treasurer of the failed Franklin (00008383 09 20 89)
192. King was indicted in may on 40 counts of conspiracy fraud (00008429 09 20 89)
193. Larry King denied involvement (00008473 11 05 89)
194. A Federal Grand Jury indictment involves child abuse. King has pleaded innocent to the charges (00008483 11 05 89)
195. Judgment means that the company could seek its money from King's assets however the company must stand in line with others also seeking a share of King's assets (00008861, 00008863, 12 06 89)
196. It's not a short line, Quandahl said. King and his family are defendants in lawsuits (00008865 12 06 89)
197. American Express contended in its lawsuit that King failed to pay \$102,585 in credit card charges (00008871 12 06 89)
198. Franklin's former Manager, Lawrence E. King, Jr. faces 40 counts of fraud and federal income tax (00008943 12 19 89)
199. Vacation and taking the money from the 8888-1 account. King tells court, FBI requested records of Franklin (00004311 01 04 89)
- 1990 200. King testified Tuesday in federal court (00004319 01 04 89)
201. Administration in a \$34 million lawsuit filed against King. The suit alleges that King used some Franklin funds (00004361 01 04 89)
202. For a second postponement of the trial of Lawrence E. King, Jr. on conspiracy tax and fraud. charges growing (00009281 01 12 90)
203. King was named in a 40 count indictment handed up (00009313 01 12 90)
204. Wife, Alice Ploche King, was named in 12 counts of conspiracy and fraud (00009319 01 12 90)
205. A hearing before U.S. Magistrate, Richard Kopf King was indicted on 40 counts of conspiracy and fraud (00010257 02 09 90)
206. The hospitalization of Lawrence E. King, Jr. for mental evaluation (00010489 02 17 90)

207. Turning over the records, Achelpohl noted that King was absent from the hearing and said that King had not given up his right to attend the session (00010523 02 17 90)
208. The records over because they are covered under King's constitutional right against self-incrimination (00010529 02 17 90)
209. The Franklin Federal Community Credit Union of which Larry King was president (00010949 02 24 90)
210. Start of King's trial on 40 felony charges. King is accused of conspiracy, fraud, and federal income tax (00012521 03 23 90)
211. As Terry Weise recalls, life with Lawrence E. King, Jr. brought one sumptuous party after another (00012555 03 25 90)
212. Expensive gifts. But Weise, who said he was King's homosexual companion in the mid 80's, said he never saw any King involvement in sexual activity with minors (00012561, 00012563 03 25 90)
213. Weise in the mid-80's was a steady companion of King, former Chief Executive Officer of the Franklin Credit Union, which failed in 1988 (00012569 00012573 03 25 90)
214. King, 45, has been indicted on 40 counts of conspiracy (00012573 03 25 90)
215. King's lavish spending (00012581 03 25 90)
216. Said he never saw King engage in sex with minors (00012605 03 25 90)
217. King was tested, showing everybody Weise, said. King may not be totally fit to stand trial (00012631 03 25 90)
218. A downtown limousine firm in 1983, when King, who liked limousines, took a fancy to the handsome driver (00012697, 00012699 03 25 90)
219. In 1984, King and his wife, Alice, hired Wiese to live in (000012699 03 25 90)
220. By then, Wiese asserted he and King had become regular sexual partners (00012703 03 25 90)
221. 84, when Wiese accompanied the family to Jamaica and King accused Wiese of being unfaithful to him (00012709 03 25 90)
222. King kicked Wiese out of the house (00012711 03 25 90)
223. In May 1985, King bought Wiese a ring and offered to set him up in an (00012717 03 25 90)
224. King took him shopping for furniture and a car (00012721 03 25 90)

225. To celebrate the renewal of their relationship, King threw a party for Wiese at the Cornhusker Hotel in Lincoln in February 1986 (00012725, 00012727 03 25 90)
226. King put up 40 of Wiese's friends in rooms at the hotel (00012727 03 25 90)
227. He and Mrs. King became friends. He said he knew King would never leave his wife (00012737 03 25 90)
228. He had begun two-timing King because he suspected King was cheating on him (00012743 03 25 90)
229. During his time with King, he said the life was exciting and glamorous (00012753 03 25 90)
230. He says he hates King for it. He screwed up my life (00012757 03 25 90)
231. The Salvation Army has denied an application by the Lawrence E. King Jr. family for assistance in paying a \$455.17 gas and water bill because the King's income could not be verified (0001277903, 00012783 28 90)
232. The decision on whether to grant assistance to the Kings was not influenced by public pressure (00012819 03 28 90)
233. Phone from people opposed to providing assistance to King, former Manager of the Franklin Community (00012825 03 28 90)
234. Other calls have supported helping King (00012829 03 28 90)
235. King is transported to Minnesota (00013277 04 04 90)
236. Marshal, Thomas Ohara said King was transported by car and under guard (00013283 04 04 90)
237. King was mentally incompetent to stand trial (00013295 04 04 90)
238. King is expected to undergo therapy (00013299 04 04 90)
239. After being returned to Omaha, March 18 King was held at Immanuel Medical Center (00013321 04 04 90)
240. King who faces 40 charges growing from failure (00013335 04 05 90)
241. Mentally incompetent Tuesday to stand trial. The Kings were to have faced trial June 4 (00013339 04 05 90)
242. An expected four month hospitalization of Lawrence King for mental treatment is expected to delay (00013343 04 05 90)
243. The name of the man who allegedly blackmailed King was bleeped out in the WOWT program. Investigator Gary Caradori, said that she asked why King had

- agreed to give the man money  
(00013529, 00013537 04 06 90)
244. King to have April 19 hearing (00013609 04 09 90)
245. Fraud and federal income tax evasion. The Kings  
were to have faced trial June 4  
(00013627 04 09 90)
246. Trial for King and wife might go to North Platte  
(00013849 04 16 90)
247. Said at the hearing that publicity about King has  
been massive and inflammatory and prejudicial  
(00013873, 00013873 04 16 90)
248. King not present. Mrs. King attended Monday's  
hearing (00013889 04 16 90)
249. King faces 40 counts of conspiracy and fraud. Wife  
faces 12 counts of conspiracy and fraud. The Kings  
were indicted last May by a Federal Grand Jury  
(00013943, 00013947 04 16 90)
250. This month a synopsis of King's tale. It began a  
King's tale, is a one act docudrama that centers  
around (00014309 04 22 90)
251. Article, King of Omaha, which described King's  
flamboyant homosexual lifestyle  
(00014365 04 22 90)
252. Request from both Kings to move the trial out of  
NE (00014539 04 25 90)
253. King is in a federal medical facility in Rochester  
Minnisota (00014539 04 25 90)
254. Officials say King moved as reported  
(00014549 04 25 90)
255. He has received information that Lawrence E. King,  
Jr. was not moved on April from Immanuel Medical  
(00014553 04 25 90)
256. U.S. Marshal, Thomas Ohara, said King was  
transported to Rochester, April 4, as reported  
(00014567 04 25 90)
257. The Rochester facility is to report whether King  
has improved enough to be tried  
(00014587 04 25 90)
258. Given King to clear up any public concern that  
King might be psychologically manipulated  
(00014593 04 25 90)
259. Treatment in Minnisota requested Lawrence E. King  
is incompetent to stand trial on 40 felony  
(00014603 04 30 90)
260. Kopf said his determination of King's incompetency  
was based on reports provided by two  
(00014615 04 30 90)
261. Dr. Dysart diagnosed King as suffering from  
probable delusional paranoid (00014623 04 30 90)
262. The magistrate recommended that King be kept in  
federal custody (00014627 04 30 90)



263. King has contended that he is competent to stand trial (00014645 04 30 90)
264. In his findings, Kopf said that King is suffering from a mental disease of defect (00014677 04 30 90)
265. Showed that during prolonged interviews of Mr. King and during prolonged questioning of Mr. King, the intellectual support of the grandiosity of thought processing, which gravely impairs Mr. Kings abilities to testify (00014687, 00014693 04 30 90)
266. Except for the statement of Mr. King that he is competent, there is no evidence (00014701 04 30 90)
267. An offense against justice, charity and community King attorneys seek to supress evidence (00014907 05 11 90)
268. William Cambridge, the Judge assigned to try the King case Cambridge can accept reject or modify recommendations (00014981, 00014983 05 11 90)
269. King faces 40 counts of conspiracy fraud (00014983 05 11 90)
270. Mrs. King faces 12 counts of conspiracy and fraud (00014987 05 11 90)
271. It found no direct connection between Baer and King or The Franklin Credit Union, other than limited (00015851 07 24 90)
272. Financial failure. The grand jury said King was indicted by a federal grand jury last year (00015909 07 24 90)
273. It is difficult to understand how King could live a lavish lifestyle for many years (00016143 07 24 90)
274. Chambers did have such knowledge or suspicion of King's misbehavior, he should explain to the public why (00016149 07 24 90)
275. After it became too late to prevent or inhibit King's wrongdoing the jury said (00016153 07 24 90)
276. Rumormongers (00016153 07 24 90)
277. In unsafe and unsound practices, Lawrence E. King, Jr., Franklin's. Officer said the NCUA's filed a \$34 million lawsuit against Lawrence E. King, Jr., Franklins top officer, contending he diverted (00016399, 00016425 07 25 90)
278. King denied allegations November 18, 1988 (00016431 07 25 90)
279. Lawrence E. King, Jr. drove a \$69,300 white Mercedes (00016443 07 25 90)
280. Although many Omahans had believed King's businesses and his wife's family in Jamaica

- provided the Kings with wealth to support their lavish lifestyle (00016531, 00016533 07 25 90)
281. In a World-Herald interview, Lawrence E. King, Jr. acknowledged that Franklin kept two sets (00016601 07 25 90)
282. A federal grand jury charged Lawrence E. King, Jr. with 40 felony counts (00016619 07 25 90)
283. The King family spent \$10.2 million in Franklin funds (00016627 07 25 90)
284. Grand Jury indictment, May 24, 1989. Lawrence E. King, Jr. and his wife, Alice pleaded innocent to the jury's charges against them (00016641, 00016645 07 25 90)
285. U.S. Magistrate, Richard Kopf, ordered Lawrence E. King, Jr. to undergo a mental competency exam to determine if he was fit to stand trial (00016837, 00016841 07 25 90)
286. Two psychiatric evaluations indicated that King was incapable of cooperating with his attorneys (00017023 07 25 90)
287. Parties and trips to Caribbean Islands while he was King's homosexual companion in the mid 1980's (00017029 07 25 90)
288. But he never saw King involved in sexual activity with minors (00017031 07 25 90)
289. Kopf made a preliminary decision that Lawrence E. King, Jr. then was mentally incompetent to stand trial (00017043 07 25 90)
290. U.S. District Judge, William Cambridge, said that King should be taken to the U.S. medical facility (00017047 07 25 90)
291. The center was asked to report on King's condition after four months, March 30, 1990 (00017051 07 25 90)
292. U.S. District Judge, William Cambridge, ruled King was mentally incompetent to stand trial (00017067 07 25 90)
293. That when he was in his late teens, two Omaha men, Lawrence E. King, Jr. and Alan Baer paid him for sex (00017367 07 26 90)
294. Instances of forcible sex and he said he saw King and Bear and several other prominent Omahans (00017371 07 26 90)
295. Lawrence E. King, Jr. was chief officer of Franklin Credit Union (00017421 07 26 90)
296. Jury: he was never the victim of sexual abuse (00017421 07 26 90)
297. Indictments in May, 1989, against Franklin executive, Lawrence E. King, Jr., and his wife, Alice, and three Franklin (00017917 07 29 90)

298. Alleged illegal activity associated with Lawrence E. King, Jr. and others associated with the credit union (00017983 07 30 90)
299. Jury found probable cause to believe that Lawrence E. King, Jr. solicited men in their late teens or early (00018143 07 30 90)
300. The grand jury found probable cause to believe that Lawrence E. King, Jr. solicited men in their late teens illicit sexual activity (00018143, 00018149 07 30 90)
301. From very early on, Mr. King has denied the allegations of homosexual activity (00018149 07 30 90)
302. If probable cause existed to indict King, the Grand Jury should have done so (00018163 07 30 90)
303. Directly related to the Franklin Credit Union or Larry King, many involved children in foster care (00018413 07 30 90)
304. The grand jury report that Troy Boner and Danny King either perjured themselves before the Grand Jury (00018947 07 30 90)
305. Lawsuit alleges sexual assault, James Daniel King of Omaha filed suit, Tuesday, in U.S. District Court (00020461 08 01 90)
306. Pamela Vuchetich, a Lincoln Attorney who represents King, said she hopes that the lawsuit encourages other (00020493 08 01 90)
307. Crafted hoax, Mrs. Vuchetich said that although King made up parts of the story he told, the stories should be investigated (00020521 08 01 90)
308. He lied in telling stories of sexual abuse, King and his attorney, Pamela Vuchetich of Lincoln, said (00020617 08 02 90)
309. The other two, Troy Boner and James Daniel King, told the grand jury they lied when they told (00019329 08 07 90)
310. The grand jury testimony of Troy Boner and Danny King alleged (00020793 08 07 90)

## APPENDIX H

## Plot Line Text Lines 1-38

- 1969 1. Credit union will move to new offices at 3317 North  
Thirty Third street (00000003 04 04 69)  
2. Alfred Thomas, executive director of the union, said  
it has about 180 members (00000007 04 04 69)  
3. Union was formed last January (00000011 04 04 69)
- 1970 4. Lawrence E. King, Jr., 25, is manager of the credit  
union (00000031 07 26 70)  
5. King, who was with the First National Bank, replaces  
Alfred Thomas (00000037, 00000039 07 26 70)  
6. The credit union is open to persons living in the  
area bounded by Cuming and Bedford ave (00000039,  
00000043 07 26 70)  
7. Money saved in the credit union earns interest  
(00000043 07 26 70)
- 1972 8. The credit union a bedrock organization (00000081 07  
09 72)  
9. In January 1969, the Franklin Community Credit Union  
began with total assets of \$127.5  
(00000095 07 09 72)  
10. The credit union, herein refered to as Franklin, is  
in the business of making small loans to pay for  
aid to dependent children and beds for families  
(00000109, 00000115 07 09 72)  
11. Franklin is not a government sponsored agency  
(00000115 07 09 72)  
12. The union sells food stamps (00000123 07 09 72)
- 1973 13. Credit union name may be misleading  
(00000135 01 19 73)  
14. King conceded credit union pleased at dividend  
(00000135 01 19 73)  
15. The credit union has paid its first annual dividend  
(00000139 01 19 73)  
16. King said the union now has \$60,000 in deposits  
from 1,000 investors (00000141 01 19 73)  
17. The dividend is the first in the union's four year  
history (0000147 01 19 73)  
18. King said when the union started it had 29  
investors and 127 in capital (00000155 01 19 73)  
19. The union would like to reach \$200,000 in deposits  
(00000161 01 19 73)  
20. Union administration has authorized The Franklin  
Union to lend money to persons living or working  
in the union's bound areas  
(00000163, 00000173 01 19 73)  
21. As deposits grow, the credit union will be able to  
expand its lending area (00000175 01 19 73)

22. Dividend is comparable to that paid by other credit unions and other financial institutions (00000179 01 19 73)
23. The dividend is notable because the union only charges one percent interest (000000181 01 19 73)
24. The director said the union's delinquency rate is 5 percent a loan (00000193 01 19 73)
25. The Franklin Community Federal Credit Union plans to begin a survey of low income (00000199 07 31 73)
26. Larry King said persons coming into the credit union, 1723 North Thirty Third St. will be asked to fill (000000205 07 31 73)
27. Survey will ask for an evaluation to the credit union's services (000000219 07 31 73)
28. Credit union itself got generally high marks (00000269 07 31 73)
29. Participants want the union to open every Saturday (00000271 07 31 73)
30. Consumer education classes will be started and the credit union will begin opening Saturdays (00000275 07 31 73)
- 1974 31. Dividend up at the Franklin Community Federal Credit Union (00000283 01 12 74)
32. Credit union serves mostly low income persons (00000293 01 12 74)
33. King said the credit union hopes to establish a South Omaha branch at Woodson (00000309 01 12 74)
34. Self help that works, the Franklin Community Federal Credit Union (00000351 10 01 74)
35. Food stamps had to be dispersed by police (00000359 10 01 74)
- 1975 36. Larry King, Manager, said deposits at the 6 year old credit union total \$250,000 (00000385 07 11 75)
37. He said assets total more than \$300,000 and \$200,000 in loans (00000385, 00000387 07 11 75)
38. Only the increase in deposits has allowed the credit union to increase individual loan limits from \$2,000 (00000395 07 11 75)

## APPENDIX I

## Plot Line Text Lines 39-51

- 1976 39. Fund for utilities at Franklin Community Credit Union (00000413 02 06 76)
40. The credit union will provide financial counseling (0000045 11 19 76)
- 1977 41. Michael Healey said persons buying food stamps at Franklin Community Credit Union are being asked to put thumb prints (00000481 05 18 77)
42. Print so far is being used only at Franklin Credit Union, the city's largest distributor, because the union already had a thumb print system (00000497, 00000499 05 18 77)
43. As identification for cashing checks, since the credit union had the system, it isn't charging the county extra (00000501 05 18 77)
44. A spokesman for the credit union said the thumb print system is a protection (00000519 05 18 77)
45. Grant to help teach budgeting and credit (00000523 10 12 77)
46. The Consumer Services Organization, which is affiliated with Franklin Credit Union, has received a \$33,000 dollar grant (00000523, 00000525 10 12 77)
47. Train low income people in budget planning, use of credit, and other consumer needs said credit union (00000531 10 12 77)
48. 60 calls a day, almost double the previous number. The credit union's Consumer Services Organization checks requests (00000545 10 22 77)
49. King said the credit union badly needs donations (00000557 10 22 77)
- 1981 50. Donates \$1,500 a month to Franklin Credit Union with Franklin the rest of my life (00001219 05 03 81)
51. On Monday the Franklin got 20 phone calls praising them (00001243 05 03 81)

## APPENDIX J

## Plot Line Text Lines 52-56

- 1983 52. Franklin Credit Union is used as a third party to help tenants (00001369 03 11 83)
53. Income source sends his check directly to the credit union. The resident then signs an agreement with the credit union authorizing the institution to deduct rent (00001375, 00001377 03 11 83)
54. King, Manager of the Franklin Community Credit Union, to tour the Kellom Knolls housing project (00001401 09 21 83)
- 1985 55. Grand opening of the Franklin building, 1723 N. 33rd St. (00001407 06 12 85)
56. The new facility is the main office of The Franklin Community Federal Credit Union and Consumer Services Organization (00001411 06 12 85)

## APPENDIX K

## Plot Line Text Lines 57-550

- 1988 57. Publisher chides NCUA over Franklin publisher, Herold Anderson said (00001441 03 11 88)
58. Doesn't regret his earlier help to the failed Franklin Community Federal Credit Union (00001445 03 11 88)
59. To step forward and say here is why I supported Franklin. Anderson said Franklin was formed in 1968 (00001453 03 11 88)
60. Omaha with the hope that a neighborhood credit union could help residents improve their lives (00001457 03 11 88)
61. Lawrence E. King, Jr. joined the struggling credit union as its top executive in 1970 (00001459 03 11 88)
62. In 1970, federal officials who closed the credit union said \$38 million dollars in credit union funds are missing. King is a target (00001461, 00001463 03 11 88)
63. He wrongfully used at least \$34 million of the credit union's funds. Andersen acknowledged that it will turn out (00001469 03 11 88)
64. Anderson said the NCUA regulated Federal Credit Unions and insures deposits up to \$100,000 per account (00001479 03 11 88)
65. By federal law. As earlier reported, the last Franklin audit covered a period ending in mid 1984 (00001485 03 11 88)
66. An interview. Anderson said he became involved with Franklin activities when King wrote him in 1980 (00001489 03 11 88)
67. Help persuade corporations to invest in the credit union. Anderson agreed (00001493 03 11 88)
68. I was impressed by the good reputation which Franklin had gained. Andersen became chairman of a (00001497 03 11 88)
69. Board formed to generate financial support for Franklin. He stepped aside from that post in 1983 (00001499 03 11 88)
70. In those ways because he thought highly of the Franklin and so did other business leaders (00001513 03 11 88)
71. Examples of political leaders supporting Franklin. Anderson mentioned former mayor, Mike Boyle, praising the credit union at the expanded buildings dedication (00001533 03 11 88)



72. Mayor Calinger, serving on Franklin's Board of Directors, several months last year (00001535 03 11 88)
73. Former Republican, Hal Daub, of Nebraska serving on Franklin's advisory board in 1983 (00001539 03 11 88)
74. Shared a favorable impression of the Franklin Credit Union and the job it was doing under Larry (00001541 03 11 88)
75. Franklin King story has received extensive coverage (00001583 03 11 88)
76. Had legitimate sources of income other than his credit union salary. I saw nothing obviously inconsistent (00001619 03 11 88)
77. The city has rejected the credit union's bid to continue administering a \$6.3 million portfolio for the city planning department. The credit union, one of the city's largest (00001645 10 23 88)
78. Director Bob Peters said the decision to reject Franklin's bid to continue handling the loan program was based on the credit union's past performance (00001709, 00001711 10 23 88)
79. Federal review team last year criticized the way Franklin handled the loan records (00001715 10 23 88)
80. The lack of current and accurate information in Franklin's loan file (00001725 10 23 88)
81. Franklin Community Credit Union got high marks from depositors who came Tuesday to withdraw their savings after the credit union was placed under control of a federal agency (00001793, 00001795, 00001797, 11 07 88)
82. The credit union has been a great help to the community (00001815 11 07 88)
83. Dissatisfied with the credit union, he said he was unable to withdraw his money (00001829 11 07 88)
84. Up to \$100,000 covered by the National Credit Union Share Insurance Fund (00001839 11 07 88)
85. More than 300 Franklin Credit Union members withdrew money, Monday (00001863 11 07 88)
86. For small account holders, he said even though the credit union is not liquid, the money will be there (00001871 11 07 88)
87. The temporary office opened Monday. The Credit Union Administration took control of the Franklin Friday (00001895 11 07 88)
88. Bad shape. There also was an indication that the credit union was having to rely on subsidies (00001923 11 07 88)
89. It was designated as a low income community credit union (00001933 11 07 88)

90. An estimated \$30 million is missing from the Franklin Community Federal Credit Union (00001949 11 13 88)
99. Franklin administration will begin liquidating the credit union because of the missing \$30 million (00001955 11 13 88)
100. Information that prompted the involvement of Federal Credit Union regulators (00001975 11 13 88)
101. Required immediate action by the National Credit Union administration (00001977 11 13 88)
102. Records and assets of the Franklin Community Credit Union. Thalken said the FBI and IRS investigation (00001981 11 13 88)
103. Grand jury. Thalken said Skiles said the credit union has assets of about \$2.5 million but potential liabilities of about \$33.5 million. Most of the credit union liabilities are in unrecorded certificates (00001989, 00001997 11 13 88)
104. Deposits. He said a September 30 report by Franklin listed about \$2 million in deposits, including \$1.2 million in certificates, but in the week once Franklin was taken over, depositors have filed claims (00001997, 00001999 11 13 88)
105. King said federal authorities may not understand Franklin's computer records dealing with the certificates (00002011 11 13 88)
106. Board is reserving judgment on the allegations and Franklin's future until federal officials provide (00002047 11 13 88)
107. Credit union members now must go to a temporary office (00002055 11 13 88)
108. Unless a new credit union is started to replace Franklin, there will be fewer financial options (00002061 11 13 88)
109. The loss of the Franklin would be a major blow (00002069 11 13 88)
110. The credit union was designed for welfare mothers and fathers (00002083 11 13 88)
111. Hired in 1970 at a time when the credit union was about ready to fold (00002101 11 13 88)
112. Wead said the credit union needed more financial backing from Omaha businesses (00002105 11 13 88)
113. A person like Larry who would get out and sell the credit union. Wead said he said King has been the key (00002111 11 13 88)
114. Innate marketing skills and his ability to put the credit union front and center in our community (00002115 11 13 88)
115. The long term strength of the Franklin and one of its main virtues is the pride that North Omaha

- community has been able to take in the credit union (00002119, 00002121 11 13 88)
116. Wead said he did not know whether the credit union had strayed from its original grassroots role (00002125 11 13 88)
117. Kiles, regional director of the National Credit Union Administration, said the informal session (00002145 11 13 88)
118. Intended to discuss Franklin's condition and discover whether it will be possible to have another organization assume Franklin's role (00002149, 00002150 11 13 88)
119. In the past, she said local corporations have backed Franklin because they felt this was an important service (00002153 11 13 88)
120. To me this is hardly a typical credit union failure. Franklin proper say cd problems go back to 1982 (00002171 11 16 88)
121. Back to 1982. Franklin Community Federal Credit Union difficulties with unrecorded certificates of deposits were traced back to 1982, a federal credit union regulator told a North Omaha audience (00002173, 00002177 11 16 88)
122. Tuesday night liquidation of the credit union began last week (00002179 11 16 88)
123. Liquidation after finding discrepancies between Franklin's books and the claims of people (00002209 11 16 88)
124. Early in November we were dealing with a small credit union which had about \$2.5 million in assets (00002213 11 16 88)
125. \$30 million is a mistake. He said three members of the Franklin board questioned last week whether \$30 million is actually missing (00002253, 00002255 11 16 88)
126. The assets of the credit union's manager, Lawrence E. King, Jr., were frozen (00002255 11 16 88)
127. Placed under court control a day earlier, the Credit Union Administration Board filed a \$34 million civil (00002259 11 16 88)
128. Most of that \$17 million was not flowing into the Franklin community (00002265 11 16 88)
129. Attempting to find out where it went, the credit union had loaned about \$1 million to its members (00002271 11 16 88 )
130. All the money that flowed into the credit union was not necessary to run it (00002275 11 16 88)
131. There was interest in forming another credit union for area participants (00002289 11 16 88)
132. About 30 people attended the meeting (00002295 11 16 88)

133. To straighten out the difficulties left from Franklin, it could take up to 18 months Sterner said (00002327 11 16 88)
134. Based on liquidations of several other credit unions he had been involved with (00002331 11 16 88)
135. Residents might not want to consider forming a new credit union now because of the Franklin experience (00002343 11 16 88)
136. King's assets frozen. Credit union executive lived well, records show in Omaha (00002349 11 20 88)
137. Affluent lifestyle and affect his reputation as a credit union miracle worker. Federal regulators accused King last week of diverting money from the Franklin for personal and business purposes (00002393, 00002397 11 20 88)
138. In a civil lawsuit, the National Credit Union Administration said King kept a second (00002399 11 20 88)
139. The lawsuit said King would not be interviewed (00002409 11 20 88)
140. King deposited his own money in the credit union and used it to pay the bills (00002413 11 20 88)
141. Rodney Wead asked him to run the fledgling credit union Wead and others in North Omaha had started (00002439 11 20 88)
142. Despite help from local churches; however, the credit union was struggling when King came on the job in July (0002441 11 20 88)
143. In Franklin later he formed Consumer Services Organization (00002451 11 20 88)
144. To subsidize losses at the credit union and pay Franklin employees, King enlisted help from local churches (00002461 11 20 88)
145. National organizations which deposited money in Franklin or made direct grants to underwrite Franklin (00002465 11 20 88)
146. Franklin and CSO services. Franklin grew slowly (00002465 11 20 88)
147. Upgraded their lifestyle since the early days of the credit union. They moved (00002521 11 20 88)
148. Mercedes 560 SEL, retail price at \$69,300, which the credit union leases for him (00002537 11 20 88)
149. State vehicle registration records indicate that Franklin also leases a red 1986 Mercedes (00002541 11 20 88)
150. If you think I want to be the manager of a credit union, you're crazy, the youth told King (00002585 11 20 88)

151. Spending habits were far removed from those of his credit union customers (00002859 11 20 88)
152. Lived so well as manager of the relatively small credit union, I always wondered, Takechi said (00002865 11 20 88)
153. Agent Dale Bahney requested records from Franklin Credit Union, including nearly 46,000 of Franklin's checks (00002891 11 20 88)
154. Executive of the failed Franklin Community Federal Credit Union must be turned over this week to a court (00002935 11 23 88)
155. District court. The suit was brought by the National Credit Union Administration (00002957 11 23 88)
156. Two other corporations, the Franklin Court and Franklin USA, Inc., which were not otherwise identified (00003031 11 23 88)
157. Lawsuit which asks for restitution to the Credit Union Administration of the money King allegedly took (00003081 11 23 88)
158. Federal shareholders in the failed Franklin Credit Union can become members of Bell Federal Credit Union (00003097 12 02 88)
159. The credit union serves employees at 110 companies from Conagra to U.S. West Communications (00003119 12 02 88)
160. People who live or work in areas served by Franklin, generally North and South Omaha (00003125 12 02 88)
161. Meanwhile, Ms. Dewald said there is no time limit for Franklin customers to withdraw their money (00003131 12 02 88)
162. Loan payments should continue to be mailed to Franklin Community Credit Union, P.O. Box 609 (00003143 12 02 88)
163. Also should mail claims to that address (00003149 12 02 88)
164. Legal conflict alleged in Franklin case (00003159 12 07 88)
165. Case lawyers for the National Credit Union Administration have asked a federal judge to (00003161 12 07 88)
166. From representing Lawrence E. King, ex-chief of credit union (00003167 12 07 88)
167. Lawrence E. King, ex-chief of credit union, denies diverting money (00003167 12 07 88)
168. Executive of the failed Franklin Community Federal Credit Union denied, Tuesday, that he diverted more than \$34 million from the North Omaha Credit Union for personal use (00003171, 00003173 12 07 88)

169. A civil law suit filed against him by the National Credit Union Administration in a separate document filed Tuesday. King asked for a jury trial (00003179, 00003181 12 07 88)
170. Large quantities of certificates of deposit issued by Franklin the lawsuit alleges that King used the money for other expenses not related to the credit union (00003189, 00003193 12 07 88)
171. William Morrow signed King's response which generally admitted only general facts about the credit union and the federal agency and acknowledged that King was Franklin's treasurer and manager (00003193, 00003197, 00003199 12 07 88)
172. The law firm has represented Franklin Community Federal Credit Union on a number of occasions. Now it is representing King who was Franklin's chief executive when it failed last month (00003211, 00003213 12 07 88)
173. Alleges in the law suit that King diverted money from Franklin to pay personal and business expenses (00003217 12 07 88)
174. A question over the extent of representation of Franklin (00003239 12 07 88)
175. Franklin was closed November 4 by the NCUA (00003239 12 07 88)
176. Dederstrom did work both for King and for the credit union and its affiliates (00003261 12 07 88)
177. NCUA federal regulators closed the Omaha credit union November 4 and declared it insolvent November 10 (00003275 12 09 88)
178. \$37 million in certificates of deposit issued in Franklin Credit's name will be turned in by owners (00003293 12 09 88)
179. The Franklin Credit failure was unusual he said (00003317 12 09 88)
180. Franklin Credit members, people who lived within defined (00003317 12 09 88)
181. Individual companies and groups from outside Franklin's defined areas could purchase Franklin certificates because the credit union was chartered under a federal rule (00003337, 00003335 12 09 88)
182. In a \$34 million law suit filed by the National Credit Union Administration, the NCUA has accused King of diverting the money from the Franklin Community Federal Credit Union. King was (00003369, 00003373, 12 09 88)

183. Federal Credit Union. The lawsuit alleged that Franklin under King's direction sold certificates of deposit to investors but did not record them on the credit union's books. King later used the money on personal (00003413, 00003415 12 13 88)
184. Letter says some trying to help former clients of credit union. Some former staff members (00003461 12 14 81)
185. Negative publicity about the failed credit union has harmed businesses owned by Lawrence E. (00003471 12 14 88)
186. Hundreds of people whose livelihood depended upon Franklin Credit Union or Consumer Services Organization (00003483 12 14 88)
187. Either through employment or through utilizing Franklin and CSO services. CSO provided credit, financial (00003487 12 14 88)
188. The letter continued the National Credit Union Administration closed Franklin Credit, November 4 (00003497 12 14 88)
189. Into the failed Franklin Community Federal Credit Union and allegations of physical and sexual abuse (00003529 12 18 88)
190. Board which is naming a subcommittee to investigate Franklin (00003555 12 18 88)
191. To contact other. Community Federal Credit Union allowed deposit issued in Franklin Credit's name, will be turned in by owners (00003293 12 09 88)
192. Leonard Skiles of Austin, Texas has said that 19 Franklin accounts contained more than \$100,000 (00003705 12 22 88)
193. The NCUA has said it expects to pay \$37 million to Franklins insured CD holders (00003711 12 22 88)
194. Union administration alleges that King diverted credit union money for personal and business uses (00003783 12 22 88)
195. Officials closed Franklin Community Federal Credit Union, November 4. The credit union had not been audited after 1984 because the credit union's officers caused repeated delays (00003805, 00003815 12 25 88)
196. Law since 1968 has required federally regulated credit unions to conduct annual audits (00003819 12 25 88)
197. Administration attorney said from DC, if a credit union fails to conduct an audit annually, the NCUA's board can suspend or revoke that credit union's charter, The Federal Credit Unions Act says (00003823, 00003825 12 25 88)

198. Federal law permits the audit to be made by a credit union's supervisory committee made up of three to five credit union members, if the audit isn't done by a firm (00003833, 00003837 12 25 88)
199. Several officials said they don't believe Franklin's supervisory committee completed any audits (00003839 12 25 88)
136. Douglas Goodnight retained this year to audit Franklin. Said he obtained access to certain Franklin (00003849 12 25 88)
200. At least \$800,000 had flowed into one account at Franklin Credit during 20 days in August (00003855 12 25 88)
201. Computer implemented and operated fraud at Franklin. I might not have found everything (00003873 12 25 88)
202. A properly conducted audit may have uncovered Franklin's financial irregularities (00003885 12 25 88)
203. NCUA officials had been aware of Franklin's foot dragging on an audit for years (00003889 12 25 88)
204. After closing, the NCUA discovered that Franklin kept a set of secret records showing large CD sales of the \$40 million owned by Franklin owners of CD's. \$39 million was hidden (00003903 12 25 88)
205. The NCUA to take strong action earlier against Franklin Credit, viewing Franklin with hindsight (00003913 12 25 88)
206. NCUA staff members had been suspicious of Franklin for some time (00003931 12 25 88)
207. Accountant John E. Vawter said he did an audit of Franklin for 1982 and a second audit covering a 19 month (00003941 12 25 88)
208. Most of the now missing funds came into Franklin after the 1984 audit was completed in 1986 (00003949 12 25 88)
209. Hearing from Harvey, no other representative of Franklin asked him why an audit hadn't been completed (00003975 12 25 88)
210. He said Vawter said he assumed the credit union's supervisory committee no longer wanted to retain (00003979 12 25 88)
211. He said in retrospect. Vawter said he understood why Franklin didn't want him to do any audit after 1984 (00003985 12 25 88)
212. Some kind of internal audit was done by Franklin's supervisory committee some officials said (00003999 12 25 88)



213. Annual examinations each year. The examiners visited Franklin monthly to deal with problems regarding finances (00004055 12 25 88)
214. The federal agency's examinations could have caught Franklin's second set of books contain the \$39 million (00004069 12 25 88)
215. Skiles and Franklin's staff used stalling techniques (00004075 12 25 88)
216. The NCUA Franklin agreement, in which the credit union agreed to obtain an audit, was completed last June (00004091 12 25 88)
217. At Franklin. I thought here's a \$2.5 million credit union with 1 million a month going through one account (00004127 12 25 88)
218. Goodnight said it is clear to him now that Franklin staff members were using us as a buffer (00004137 12 25 88)
219. Goodnight said it doesn't make much difference whether Franklin's supervisory committee ever did an internal (00004141 12 25 88)
220. Franklin officials would have blown it right by those guys he said (00004149 12 25 88)
221. Records were closely guarded by E. Thomas Harvey, Jr., Franklin's director of accounting (00004153 12 25 88)
222. Harvey, expert on operating the computer and was the only Franklin employee who had access to some records (00004157, 00004161 12 25 88)
223. To go through Harvey alone to get information about Franklin CD's (00004193 12 25 88)
224. One employee said some of Franklin's CD records were available in boxes (00004197 12 25 88)
225. Examiners were not allowed to operate Franklin's computer (00004197 12 25 88)
226. Because of the closing, the credit union did not provide the records to the U.S. attorneys (00004219 12 25 88)
227. Chief executive officer appeared to be using credit union money for personal and business expenses (00004231 12 25 88)
228. In a lawsuit filed after regulators closed Franklin, regional NCUA director, J. Leonard Skiles, has said that none of the credit union employees contacted the NCUA with that information. Franklin Corporation formed December 12, 1983 as a non-profit (00004235, 00004237, 00004239 12 25 88)
229. Lawsuit contends King diverted \$34 million in Franklin Credit funds for his personal expenses (00004283 12 25 88)

230. King tells court, FBI requested records of Franklin Credit (00004311 01 04 89)
231. Credit union employees found that the FBI wanted credit union records, they became concerned (00004315 01 04 88)
- 1989 232. That such information would cause a run on the credit union's deposits. Lawrence E. King, Jr. testified (00004317 01 04 89)
232. A dispute between two law firms involved in the Franklin case. The firm of Fitzgerald Schorr Barmettler (00004343 01 04 89)
233. The Fitzgerald firm represents the National Credit Union Administration in a \$34 million dollar lawsuit filed (00004359 01 04 89)
234. Against King. The suit alleges that King used some Franklin funds for his own personal and business use (00004361 01 04 89)
235. Because it represented both King and the credit union, William E. Morrow, Jr. and Erickson and Sederstrom (00004371 01 04 89)
236. Erickson and Sederstrom always advised that the credit union obtain its own separate counsel Morrow said (00004381 01 04 89)
237. Morrow said he said that after the NCUA closed Franklin, November 4, Erickson and Sederstrom told the credit union board it could not represent the credit union because it was representing King. Robinson and the credit union board (00004385, 00004387 01 04 89)
238. Members conducted lengthy interviews with Franklin employees without telling them that the firm did not represent the credit union Robinson said (00004401, 00004403 01 04 89)
239. Erickson and Sederstrom never told the credit union employees that it represented the credit union, except in some limited instances (00004413 01 04 89)
240. Reaching a decision in the case, official says Franklin Credit loss could have been much larger (00004431 01 11 89)
241. Money was flowing into the Franklin Community Federal Credit Union too rapidly (00004433 01 11 89)
242. The NCUA closed Franklin, November 4, when it had about \$40.8 million (00004447 01 11 89)
243. Only a handful of Franklin employees were in a position to know (00004467 01 11 89)
244. Internal Franklin reports seen by The World-Herald indicate that staff members at Franklin handled more CD's in three weeks last fall than the credit

- union was supposed to have in all  
(00004471, 00004473, 00004475 01 11 89)
245. Only about \$1 million in CD money was reported on Franklin's books which purported to list all deposits (00004483 01 11 89)
246. The Franklin memos, some of them addressed to King, were handled by the three full-time. \$100 at risk (00004621 01 13 89)
247. Since the Franklin loss, every low-income credit union in the country has had or will have a look-see (00004641 01 13 89)
248. The Franklin Community Federal Credit Union examine FBI, IRS, and U.S. Attorney's Office and the National Credit Union Administration (00004671 01 18 89)
249. With regard to the Franklin, Colby: I'm qualified for Franklin probe (00004737 01 21 89)
250. Former CIA director, William E. Colby, now investigating the Franklin Community Federal Credit Union failure (00004737, 00004743 01 21 89)
251. Colby said the Franklin investigation appears to be a delicate one (00004783 01 21 89)
252. Afford whatever is necessary to make sure the Franklin probe is complete (00004891 01 21 89)
253. Can't afford is a half-hearted investigation (00004901 02 04 89)
254. Omaha's Franklin Community Federal Credit Union interviewed Lincoln attorney, Kirk Naylor, Jr. , Friday (00004905 02 04 89)
255. The journal says in the story which is headlined, A Credit Union Fails and Omaha Wonders Was it Bamboozled (00004971 02 82 89)
256. In aftermath of the November 4 closing of King's Franklin Community Federal Credit Union, the journal says (00004977 02 08 89)
257. Federal agency of plundering the institution Franklin to finance a flamboyant life style (00004981 02 08 89)
258. Local residents feel betrayed. For years the burly credit union manager, King, preached a bootstrap philosophy (00004989 02 08 89)
259. Leaders were enthusiastic in their support of Franklin and Mr. King. The article says also well meaning (00005021 02 08 89)
260. A big source of low cost funds for the credit union, Harold W. Andersen, publisher and chief (00005023 02 08 89)
261. The newspaper deposited more than \$200,000 in the credit union and Mr. Andersen solicited other forms to (00005035 02 08 89)

262. Led a drive to expand and renovate the credit union's offices. He helped raise \$675,000 (00005037 02 08 89)
263. Hogland said in response to a question more about what happened in the collapse of the Franklin than he had disclosed if he had nothing to do with the operation of the Franklin (00005109, 00005111 02 19 89)
264. Andersen headed to renovate and expand Franklin's headquarters building or grounds, but that hadn't yet been done when Franklin failed he said (00005115, 00005117 02 19 89)
264. Television advertisements solicited deposits for Franklin (00005129 02 19 89)
265. Franklin suicide victim received gifts (00005129 02 19 89)
266. Chief executive of Franklin Community Federal Credit Union allowed the story which is headlined, A Credit Union Fails and Omaha Wonders Was it Bamboozled (00004971 02 82 89)
267. The purchase was charged to an American (00005249 02 26 89)
268. In 1987 and paid for with franklin funds, a credit union administration compilation of checks later (00005255 02 26 89)
269. He was at Larry's beck and call, Hansen said, a former franklin employee (00005301 02 26 89)
270. Was an unused \$408 airline ticket written to franklin community fcu for rogers/charles (00005309 02 26 89)
271. You barge in here trying to put words in my mouth, franklin groups members not aware of audit duty (00005531 03 05 89)
272. Franklin Community Federal Credit Union's finances seldom if ever met after 1984 (00005535 03 05 89)
273. Two couldn't be found, committee members drawn from the credit union's general membership, had the duty to hire an accountant or to do an audit themselves The Federal Credit Union Act says (00005551, 00005555 03 05 89)
274. No audits were performed after mid 1984 (00005559 03 05 89)
275. The NCUA's board has authority to suspend or revoke a credit union's charter for not supplying an audit (00005577 03 05 89)
276. Regional Director, J. Leonard Skiles, of Austin TX has said Franklin's staff repeatedly made excuses when feds ask for an audit (00005581, 00005585 03 05 89)
277. Under pressure from the NCUA, Franklin did agree in writing last year. Accountant finally had

- started an audit when Franklin was closed November 4 (00005585, 00005589 03 05 89)
278. Charles Jean-Baptiste Franklin's Board President from 1985 through 1988, declined to (00005599 03 05 89)
279. Martin A. Canno, Attorney for Franklins board members, declined to comment (00005611 03 05 89)
280. We have not located formal minutes of the Franklin supervisory committee meetings (00005665 03 05 89)
281. J. Douglas Goodnight, who was doing an audit the day Franklin was closed (00005671 03 05 89)
282. Begun to uncover info that made him suspicious about Franklin's finances, he said (00005677 03 05 89)
283. An audit differs from annual (00005677 03 05 89)
284. An audit verifies financial figures (00005685 03 05 89)
285. After Franklin was closed, federal investigators learned that \$38 million was missing. The NCUA has sued Franklin's top executive Lawrence E. King, Jr., alleging he diverted at least \$34 million of Franklin funds for his own purposes and to pay interest on previously issued CD's (00005685, 00005687, 00005691, 00005695 03 05 89)
286. Trail of Franklin money forming, regulators say (00005695 03 05 89)
287. Expenditures totaling \$39 million from Omaha's failed Franklin Community Federal Credit Union (00005701 03 12 89)
288. NCUA will be ready to explain how the Franklin loss escaped detection by federal regulators (00005745 03 12 89)
289. In the process of reconstructing Franklin's losses, Fenner said. Investigators so far have determined that expenditures by credit union were made in three principle areas: 1). interest on, 2.) salaries and other overhead expenditures for the credit union and all the business King was involved in (00005767, 00005771, 00005775, 03 12 89)
290. The lawsuit allege that King diverted Franklin funds for his personal and business use (00005799 03 12 89)
291. King from selling or copyrighting the story of the Franklin failure (00005811 03 12 89)
292. We've paid out another \$2 million to the regular credit savers in the credit union, he said (00005821 03 12 89)

293. King, Jr., who was Franklin's chief executive, diverted credit union money for personal and business use (00005849 03 17 89)
294. Jim Cleary and Steve Mc Collister touched on Franklin briefly during a recent Mayoral forum in North Omaha, both saying they hoped the credit union could be replaced (00005855, 00005857 03 17 89)
295. Mc Collister said during the forum that Franklin is very important to replace (00005885 03 17 89)
296. An interview, he said he was not sure whether a credit union or a savings and loan would be the most appropriate (00005887 03 17 89)
297. He said his chief concern in the wake of the Franklin collapse was the loss of counseling services (00005897 03 17 89)
298. Services provided by Consumer Services Organization, a Franklin affiliate (00005899 03 17 89)
299. Mayor Walt Calinger said a replacement for the credit union is unnecessary (00005907 03 17 89)
300. Morgan said it would be difficult to develop a new credit union modeled on Franklin (00005927 03 17 89)
301. Would be gaining the confidence of those who had been Franklin customers; that's not going to be easy to do (00005931 03 17 89)
302. Norwest or First National Bank could start a credit union for low income residents (00005937 03 17 89)
303. Council President, Fred Conley, whose district included Franklin, could not be reached for comment (00005963 03 17 89)
304. Allegations that he diverted \$34 million from The Franklin Community Federal Credit Union for his personal and business use (00005983, 00005985 03 23 89)
305. Depositors were asked questions. New suit links Franklin funds to trust created for King's son (00006107 03 29 89)
306. Alleges that King fraudulently transferred funds from Franklin to the trustee for the trust (00006129 03 29 89)
307. Property placed in the trust were financed from the Franklin funds, the lawsuit said (00006137 03 29 89)
308. Carroll Hubbard, Democrat, Kentucky, will seek information about failed Franklin Community Federal Credit Union (00006249 04 04 89)

309. The oversight subcommittee to determine whether new legislation is needed on credit unions and their regulation (00006257, 00006261 04 04 89)
310. Bush administration banking bill that he said would prevent a credit union from ever again slipping 3 1/2 years (00006267 04 04 89)
311. Regulators say nepotism added to Franklin woes; it was all in the family at the Franklin (00006283 04 16 89)
312. Several groups of relatives working at the failed credit union contributed to its problems (00006289 04 16 89)
313. Her son, E. Thomas Harvey, Jr., Franklin's Accounting Director, and her daughter Cynthia A. (00006295 04 16 89)
314. Family relationships that played a part in the credit union's downfall (00006303 04 16 89)
315. That resulted in the scope and magnitude of the Franklin fraud, the NCUA alleges in four civil suits (00006315 04 16 89)
316. A total of more than \$40 million was diverted from Franklin for the use of others, including Lawrence E. King (00006319 04 16 89)
317. The NCUA strongly discourages the practice in credit union's, which are close knit institutions (00006325 04 16 89)
318. To go into detail, Fenner said nepotism was evident at Franklin in at least two ways: family members worked for the credit union, the CSO, and related enterprises owned by King (00006331 00006347 04 16 89)
319. Barbara Moore, Assistant Director of the CSO, a Franklin employee for 10 years (00006351 04 16 89)
320. She said her son, Gregory Moore, was a teller at Franklin and another son, Edward Moore, was a maintenance (00006353 04 16 89)
321. Harvey, Jr. had chief responsibility for running Franklin when King wasn't there, King has said (00006385 04 16 89)
322. Lot of relatives also worked there said three former Franklin employees (00006405 04 16 89)
323. What is in the best interest of the credit union? This is one of many things we will look at (00006429 04 16 89)
324. This case, poor practice. Several other NE credit union executives said they avoid hiring relatives (00006433 04 16 89)
325. V.P. in charge of marketing for Bell Federal Credit Union in Omaha said hiring relatives can cause conflict (00006439 04 16 89)

326. Ms. Dyer and several other credit union executives said they regard Franklin as a mystery (00006443 04 16 89)
327. Union Executives Association. Ms. Dyer said seldom did Franklin employees participate in training seminars (00006451 04 16 89)
328. Executives said they had seen King at one Nebraska Credit Union League function. He sang the National Anthem (00006457 04 16 89)
329. Nor was King active in the National group (00006459 04 16 89)
330. Hall said nepotism has not been a problem in other Nebraska credit unions for which his firm has performed exams and audits (00006467, 00006471 04 16 89)
331. His firm does work for 85 of the 117 credit unions in the state, Petersen said (00006471 04 16 89)
332. Of missing Franklin cash, half said to be diverted (00006483 05 12 89)
333. Community Federal Credit Union went for non-credit union purposes such as personal and business expenditures (00006487 05 12 89)
334. About 25 percent was used to operate the credit union and its affiliates (00006493 05 12 89)
335. More specific Franklin spending figures will be given in an NCUA. Investment in Franklin CD's has been told (00006913 06 03 89)
336. But Harvey's involvement hadn't been reported (00006913, 00006917 06 03 89)
337. Mrs. Harvey asked to be forgiven for Franklin role (00006949 06 11 89)
338. Becoming entangled in wrongdoing at the now-defunct Franklin Community Federal Credit Union (00006953 06 11 89)
339. Harvey and her son, E. Thomas Harvey, Jr., 46, who was Franklin's director of accounting (00006961 06 11 89)
340. Guilty to embezzling approximately \$1 million of the credit union's funds (00006535 05 12 89)
341. Not a simple case (00006535 05 12 89)
342. Rumors have persisted that money from the credit union somehow found its way to the Nicaraguan Contra (00006573 05 21 89)
343. No evidence has surfaced that Contra received Franklin funds (00006577 05 21 89)
344. The day after authorities raided the credit union office they rented a trailer to haul away documents (00006731 05 24 89)
345. Trial is ordered for Franklin officer, Robert Morley, 35, of Ashland (00006759 05 24 89)



346. Mrs. Harvey said she never was a member of Franklin Credit's Board of Directors (00007107 06 11 89)
347. Tom Harvey and Larry King manipulated the credit union's accounts from 1976 until Franklin was closed (00007119 06 11 89)
348. After discovering King was taking Franklin money, Harvey began paying some of his bills with credit union money (00007123 06 11 89)
349. In fact the money came from Franklin's off-the-book sales of CD's (00007149 06 11 89)
350. Mrs. Harvey's participation in activities that caused Franklin to collapse amounted to a betrayal of the low-income people served by the credit union (00007227, 00007231 06 11 89)
351. Not responsible for getting her son, Tom, his job at Franklin. In 1976, King called her one day and asked (00007255 06 11 89)
352. Took the job and someone came in to train him in credit union book keeping she said (00007267 06 11 89)
353. Mrs. Harvey was also a director of the Franklin Corporation, a non-profit group that did nothing except maintain a Franklin credit account for funds that paid King family expenses (00007275, 00007277, 00007279, 06 11 89)
354. She was secretary of Franklin USA, King's unsuccessful effort to start other low-income credit unions (00007281, 00007283 06 11 89)
355. Franklin void still a concern (00007329 06 11 89)
356. Franklin was more than an ordinary financial institution (00007347 06 11 89)
357. Its affiliate, Consumer Service Organization, offered credit counseling. Franklin workers helped some members pay their bills (00007353 06 11 89)
358. Franklin's services to the poor and elderly are missed (00007373 06 11 89)
359. Franklin issue to get hearing, July 26 court hearing (00007477 07 03 89)
360. Legislative committee investigating the collapse of Omaha's Franklin Community Federal Credit Union special (00007483 07 03 89)
361. Child sexual abuse surrounding the failed credit union (00007495 07 03 89)
362. Alleged abuse related not just to former Franklin treasurer and manager, Lawrence E. King, Jr. (00007547 07 13 89)
363. Teller at the Franklin Community Federal Credit Union said Monday he tried to blow the whistle five years ago about misdeeds at Franklin, but his

- efforts failed. I got a bad deal out  
(00007583, 00007587 07 17 89)
364. I lost my job, my car, my apartment, my credit record and no one wanted to hire me  
(00007589 07 17 89)
365. Hobbs said he had worked as a teller at Franklin for five years before he wrote a memo, February 8  
(00007593 07 17 89)
366. He showed a copy of his memo, addressed to the Franklin Board of Directors, to Lawrence E. King, Jr. (00007601 07 17 89)
367. Showed it to Arthur M. Miller, then chairman of the Franklin Board of Directors. He said  
(00007605 07 17 89)
368. Copy of the memo went to the National Credit Union Administration (00007613 07 17 89)
369. He saw bills incurred by King coming to the credit union and Franklin and paid them  
(00007653 07 17 89)
370. Hobbs said it was common knowledge among other Franklin employees what was happening  
(00007659 07 17 89)
371. Chambers said bizarre story (00007695 07 17 89)
372. Franklin mystery shrinks to \$1.5 million. L. Kirchner said his firm's reconstruction of Franklin's records had accounted for \$39.6 million  
(00007723, 00007737 07 19 89)
373. Mostly covering expenses from 1984 to Franklin's closing last November 4 (00007741 07 19 89)
374. NCUA officials want to know what happened to all Franklin funds to learn of any bank account or any other where funds can be recovered to date. No cash of Franklin funds has been found  
(00007761, 00007765 07 19 89)
375. A Federal Grand Jury has indicted King, 44, former Franklin manager and treasurer, on 40 counts  
(00007773 07 19 89)
376. Special committee on the Franklin Community Federal Credit Union has canceled a public hearing  
(00007847 07 26 89)
377. The hearing. He said he doesn't believe the Franklin committee's investigation has gotten off  
(00007855 07 26 89)
378. To verify any allegations of child abuse linked to Franklin or its principal figures  
(00007897 07 26 89)
379. Should focus on following the money trail from Franklin because he said that would be more effective (00007899 07 26 89)
380. A three member Franklin committee investigated the Hobbs memo and told the credit

- union's board of directors the memo was wrong about sexual preferences and hiring practices at Franklin, but not about embezzlement (00007933, 00007935, 00007949 08 01 89)
381. He referred Hobbs to the National Credit Union Administration (00007963 08 01 89)
382. Credit union is responsible for \$8.1 million of Franklin's lost assets (00008007 08 10 89)
383. Alice King Morley and two other former Franklin employees were indicted by a Federal Grand Jury on charges related to the credit union's collapse (00008095, 00008097 08 10 89)
384. Probing the failure of Franklin Community Federal Credit Union is Gary Caradori (00008113 08 16 89)
385. Caradori personally will handle the Franklin assignment with Berry, as he has in other cases. He said the Franklin committee investigation is being broadened (00008153, 00008157 08 16 89)
386. E. King, Jr.; his wife, Alice; and three former Franklin Credit employees on charges related to the financial aspects of the credit union's failure. Two other persons have pleaded guilty (00008283, 00008287, 08 20 89)
387. Omaha's Franklin Community Federal Credit Union continues to investigate child abuse allegations (00008439 11 05 89)
388. Lawrence E. King, Jr., manager and treasurer of Franklin, has been charged with 40 criminal (00008477 11 05 89)
389. No one has been charged with any Franklin related crime involving child abuse (00008491 11 05 89)
390. They were abused under circumstances related to Franklin Credit Howland said (00008527 11 05 89)
391. New law need to be passed (00008761 11 05 89)
392. Franklin was a federally chartered, federally insured credit union (00008781 11 05 81)
393. Franklin had deposits of \$41.5 million (00008785 11 05 89)
394. Because of federal insurance for Franklin, people's life savings were protected (00008801 11 05 89)
395. All except a few Franklin depositors have been fully repaid (00008815 11 05 89)
396. Judge rules against King in credit bills. A judge granted a \$109,974 judgment, E. King, Jr., manager/treasurer of the failed Franklin Community Federal Credit Union, for unpaid credit (00008841, 00008845 12 06 89)
397. Lawsuit that King failed to pay \$102, 585 in credit card charges between April 4 and November 6 1988 (00008873 12 06 89)

398. Stories, alarming new abuse evidence seen in Franklin case (00008887 12 19 89)
399. Income tax violations in connection with Franklin's failure (00008945 12 19 89)
400. Legislative committee investigating Franklin Credit Union gave credible statements concerning allegations of drugs following the collapse of the credit union (00009111, 00009135 12 28 89)
401. The trial should be delayed (00009285 01 12 90)
- 1990 402. Reconstructing financial activities of the credit union said defense attorney, Steven Achelpohl (00009291 01 12 90)
403. Memo, people talking concerning Franklin panel, former senator, John Decamp said (00009331 01 23 90)
404. Memo to two newspapers (00009337 01 23 90)
405. Franklin committee members said they were upset, given what he termed the circumstances of the Franklin situation and what has been occurring (00009341, 00009381 01 23 90)
406. Child abuse related to the defunct Omaha credit union (00009401 01 23 90)
407. Talked to one young woman who described herself as a Franklin victim (00009423 01 23 90)
408. Of the legislatures Franklin Community Federal Credit Union committee said they would be reluctant to allow release tapes (00009433 01 23 90)
409. Reportedly name some people they say were involved in Franklin related child abuse and sexual exploitation (00009443 01 23 90)
410. FBI and state patrol have been given copies of the Franklin committee's tapes and are conducting a joint enforcement investigation (00009479 01 26 90)
411. Decamp tells why he sent Franklin memo (00009479 01 26 90)
412. Central figures in Franklin Community Federal Credit Union investigations because the press is the court (00009485 01 26 90)
413. Brown said Decamp said he is very close to Franklin Committee Chairman, Loran Schmit (00009517 01 26 90)
414. Franklin Grand Jry needs a special prosecutor (00009925 02 03 90)
415. Not much about the Franklin case is ordinary (00009949 02 03 90)
416. The legislature's Franklin committee has made nothing public (00010061 02 04 90)
417. Reporters are hard at work seeking the truth in the Franklin case (00010125 02 04 90)

418. Members and another former Franklin Community Federal Credit Union accountant to turn over personal financial (00010233 02 09 90)
419. The alleged disappearance of \$39 million from the credit union (00010255 02 09 90)
420. Jury last may indicted five people, including Franklin's chief executive, Lawrence E. King, Jr., on charges related to the credit union's financial collapse (00010427, 00010431 02 15 90)
421. The Franklin Credit Union case presiding judge, James Buckley (00010559 02 20 90)
422. Grand jury would be limited in its investigation to Franklin or to individuals who had some connection (00010601 02 20 90)
423. Broad enough to include people acquainted with credit union officers or employees or who bear some relationship in the broadest sense with the credit union or with any of its officers (00010605, 00010609 02 20 90)
424. Chambers also criticized World-Herald coverage of the Franklin story (00010699 02 20 90)
425. Taped statements were given to the legislature's Franklin committee (00010703 02 20 90)
426. Legislation's allegations of child sexual abuse in the Franklin failure (00010787 02 24 90)
427. Kimball, a member of the legislature's Franklin committee, said he could not overstate importance of Carlson's role in bringing the Franklin allegations to light and in moving (00010797, 00010801 02 24 90)
428. Previous law enforcement investigations into the Franklin allegations were inadequate (00010851 002 24 90)
429. Waverly, the only member of the legislature's Franklin committee to back Mrs Bartels, said Carlson knew of improper financial activities involving the Franklin Community Federal Credit Union before the credit union failed (00010901 02 24 90)
430. Chambers said Hogland had that information prior to Franklin's failure (00010905 02 24 90)
431. Anderson helped raise contributions for a Franklin building and encouraged deposits in the credit union in the mid 80's (00010925, 00010927 02 24 90)
432. About Peter Citron to the legislature's Franklin Community Federal Credit Union committee (00010983 02 27 90)
433. Involving people without any connection to the credit union (00010995 02 27 90)

434. However, Citron's name has come up in the Franklin investigation said attorney James Martin (00011007 02 27 90)
435. Charges against Citron had nothing to do with the Franklin investigation (00011017 02 27 90)
436. Consider Citron to be a major figure in the Franklin investigation (00011073 02 27 90)
437. Alleged child sexual abuse growing out of the failed Franklin Community Federal Credit Union case (00011163 03 02 90)
438. Federal and state investigators in the Franklin Community Federal Credit Union case made pointed references to each other (00011211 03 06 90)
439. Federal Grand Jury that also is investigating Franklin matters subpoenaed Caradori (0001223 03 06 90)
440. Gallup likens Franklin talk to Mc Carthy (00011523 03 12 90)
441. Of the leaks and insinuation about people, the Franklin Community Federal Credit Union case remind him of the Mc Carthy era in America (00011527 03 12 90)
442. Case seems to be coming from the legislature's Franklin committee (00011585 03 12 90)
443. The legislature's Franklin committee spent \$100,000 on its investigation (00011593 03 12 90)
444. Hundreds of thousands of dollars unnecessarily on Franklin investigation (00011593 03 12 90)
445. E. Thomas Harvey, Jr. who has pleaded guilty. Franklin related financial violations (00011641 03 12 90)
446. Exposed Mc Carthy for what he really was. In the Franklin case Decamp said the press has been afraid to (00011711 03 13 90)
447. Concerning Thomas Greenans March & Pulse Letter, Franklin Coverage Fawning, I couldn't agree more (00012051 03 18 90)
448. Special legislative committee to investigate the Franklin case and earlier criminal indictments (00012211 03 19 90)
449. Thomas E. Harvey, Jr., and Mary Jane Harvey in the Franklin Community Federal Credit Union case have pleaded guilty to embezzlement of \$1 million from Franklin and evading federal income taxes (00012495, 00012499, 00012501 03 23 90)
450. Mrs. Harvey and Andersen was privy to more in the Franklin accounting department than anybody (00012541 03 23 90)
451. Weise said he told a Federal Grand Jury has kept track of the rumors circulating about the Franklin case (00012601 03 25 90)

452. Money King allegedly took from the credit union that he used to stage lavish parties (00012661 03 25 90)
453. For example, Weise said King would give him a credit union card, \$1,000 in cash, and a chauffeured limosine (00012665 03 25 90)
454. Questionable events a few months before the credit union collapsed (00012691 03 25 90)
455. Weise moved into the newly completed Union Plaza Apartments, 601 S. 16th st. (00012721 03 25 90)
456. King charged the party expenses on three credit union cards. He said cheating, odd as it may seem (00012733 03 25 90)
457. When the credit union collapsed in November 1988, Weise moved to California (00012747 03 25 90)
458. Franklin witness says he lied a little (00012955 04 01 90)
459. Caradori says men unfit for polygraph (00012957 04 01 90)
460. Caradori said the Franklin Credit Union sexual abuse case doesn't rest entirely on (00013111 04 01 90)
461. Previous law enforcement investigations in the Franklin allegations were inadequate (00013269 04 03 90)
462. King is expected to undergo therapy (00013299 04 04 90)
463. Are free to see and read news accounts about the Franklin tapes. Lahners gave this example, a grand (00013471 04 06 90)
464. Thursday night, WOWT aired a 30 minute special Franklin report that included the 21 year old woman (00013513 04 06 90)
465. A man told King, then the top executive officer of Franklin Community Federal Credit Union, you have to give me some money (00013521, 04 06 90)
466. State senators watched two or three hours of the Franklin Community Federal Credit Union videotapes, Tuesday (00013633 04 11 90)
467. Invited all 44 state senators not on the Franklin committee to view the tapes (00013687 04 11 90)
468. Franklin follow-up insufficient (00013781 04 12 90)
469. The failure of the Franklin Community Federal Credit Union could be moved to another state (00013877 04 16 90)
470. Allegations which have clouded the so-called Franklin case (00013999 04 19 90)
471. He has focused on the Franklin case. Casey said he had hoped to translate his vision of Franklin

- good vs. evil in Omaha, NE into a television  
(00014057, 00014287 04 22 90)
472. Casey now has set his sights on a book  
(00014295 04 22 90)
473. Carol Schrader said Casey regularly faxed her  
Franklin background material from California  
(00014331 04 22 90)
474. Casey says his proudest journalistic moment in the  
Franklin case came last year when he shared a  
byline (00014361 04 22 90)
475. Of the failed Franklin Community Federal Credit  
Union has been found mentally incompetent to stand  
trial on 40 felony charges arising from Franklin's  
failure. After 4 months of treatment  
(00014581, 00014585 04 25 90)
476. From the failure of the Franklin Community Federal  
Credit Union of which King was manager-treasurer  
(00014643 04 30 90)
477. Three persons who earlier told a Franklin Credit  
Union legislative investigator that they had been  
sexually (00014741 04 30 90)
478. None of that ever happened (00014765 05 02 90)
479. The effect of the Franklin case has been to  
produce the oddity (00014821 05 06 90)
480. FBI and IRS planned before raiding Franklin  
offices to seize everything, Stephen Achelpohl  
(00014917 05 11 90)
481. King sold a horse for \$1 to a Franklin employee  
(00014945 05 11 90)
482. Kopf's written remarks were critical  
(00015063 05 24 90)
483. Would like to make John Decamp responsible for the  
Franklin case (00015407 06 02 90)
484. Lawrence E. King, Jr., manager treasurer of  
Franklin faces four counts of conspiracy and fraud  
(00015481 06 08 90)
485. Franklin's treasurer, E. Thomas Harvey, the credit  
union's chief accountant, is awaiting sentencing  
(00015485 06 08 90)
486. Much. Ms. Stitt said proceeds go to federal  
agency. Franklin property will be sold  
(00015735 07 20 90)
487. The Franklin Community Federal Credit Union  
property at 1723 N. 33rd St., now overgrown, which  
served as the headquarters of the now-failed  
credit union, was owned in the name of the  
Consumers Services Organization, a Franklin  
affiliate (00015737, 00015743, 00015745 07 20 90)
488. Franklin was closed November 4, 1988 with a loss  
of \$39 (00015745 07 20 90)



489. NCUA, the federal agency that regulates credit unions and insures depositors, filed a lawsuit against (00015749 07 20 90)
490. Rumors that had been raised in the wake of the Franklin failure. We found no credible evidence of child (00015783 07 24 90)
491. Connection between Baer and King or the Franklin Credit Union other than limited social and business (00015851 07 24 90)
492. Although King, chief executive of the failed Franklin Community Federal Credit Union, is charged with (00015887 07 24 90)
493. Of the failed Franklin Community Federal Credit Union is charged with federal financial crimes relating (00015887 07 24 90)
494. They found no credible evidence in a pornography ring by King or other Franklin officials and employees (00015887, 00015889 07 24 90)
495. Not let the fabrications in the Franklin case divert attention from this problem (00016077 07 24 90)
496. If indeed there was a spawning ground in which Franklin rumors were born, nurtured, and grew (00016221 07 24 90)
497. During 1988-89, chronology of events linked to Franklin Credit Union case (00016389 07 25 90)
498. Agency closed Omaha's Franklin Community Federal Credit Union because it was engaging in unsafe and unsound practices (00016395, 00016399 07 25 90)
499. Although Franklin's records showed the credit union had assets of \$2.5 million and liabilities of \$300,000 to the Consumer Services Organization (00016403, 00016415 07 25 90)
500. Contending he diverted money from the credit union for his personal use to run his business (00016427 07 25 90)
501. Gave lavish parties. His annual salary at Franklin was \$16,200 (00016451 07 25 90)
502. Administration officials raised their estimate of Franklin's potential liabilities to \$39 million, December 9 (00016455 07 25 90)
503. The NCUA began paying off Franklin depositors up to the \$100,000 per account (00016457 07 25 90)
504. Sexually abused in incidents related to the failed credit union (00016465 07 25 90)
505. Deposit sales to outsiders. The National Credit Union Administration's Board in Washington (00016481 07 25 90)
506. Restrictions on deposits that any low-income credit union is permitted to accept from non-members, December 19 (00016485 07 25 90)

507. Million on deposit at Franklin shortly before the credit union failed (00016505 07 25 90)
508. In Aberdeen, SD, had \$2 million on deposit at Franklin shortly before the credit union failed (00016505 07 25 90)
509. The Franklin Credit Union had not been audited in more than four years (00016515 07 25 90)
510. Audits because they were repeatedly delayed by Franklin's chief accountant, E. Thomas Harvey, Jr. (000165421 07 25 90)
511. Sworn answers to questions from a National Credit Union Administration attorney, Lawrence E. King (00016523 07 25 90)
512. Usually worked at the credit union only three hours a day (00016529 07 25 90)
513. A seven member committee to investigate the Franklin Community Federal Credit Union failure and related child abuse allegations (00016555 07 25 90)
514. Unsuccessful in efforts to find evidence of Franklin related child abuse (00016563 07 25 90)
515. Cafe Carnival closed permanently (00016579 07 25 90)
516. The committee of Franklin Community Federal Credit Union members responsible for producing annual audits (00016581 07 25 90)
517. The credit union's finances seldom if ever met after 1984 (00016583 07 25 90)
518. Lawrence E. King, Jr. acknowledged that Franklin kept two sets of books (00016603 07 25 90)
519. Counts accusing him of crimes stemming from Franklin's financial failure. His wife, Alice, was indicted on 12 charges (00016621, 00016625 07 25 90)
520. The King family spent \$10.2 million in Franklin funds for personal purposes from 1984 through (00016629 07 25 90)
521. Attorney John Stevens Berry was named interim Franklin committee counsel as the replacement for Kirk (00016715 07 25 90)
522. Jim Mc Farland of Lincoln became the second Franklin committee member to resign (00016719 07 25 90)
523. The National Credit Union Administration sued 24 people who were directors of Franklin or members of its supervisory committee (00016733, 00016735 07 25 90)
524. People who would come forward and say they were Franklin related child abuse victims, January 4 1990 (00016755 07 25 90)

- 525. John Decamps' memo has rumored central figures in the Franklin investigation (00016829 07 25 90)
- 526. Grand jury meeting in Omaha had been looking into Franklin related sexual abuse allegations (00016891 07 25 90)
- 527. Senators watched two or three hours of the Franklin videotapes that were shown at the capitol with permission of the Franklin legislative committee (00017093 07 25 90)
- 528. Mary Jane Harvey allegedly spent \$689,547 in Franklin funds for personal purposes (00017095 07 25 90)
- 529. They were moving ahead with plans to open a new credit union to replace Franklin before the end of 1990 (00017179, 00017183 07 25 90)
- 530. Citron case has nothing to do with the Franklin investigation (00017335 07 25 90)
- 531. The Douglas County Grand Jury called the Franklin child sexual abuse allegations a carefully (00017337 07 25 90)
- 532. Lawrence E. King, Jr. was chief officer of Franklin Credit Union which failed in 1988 (00017423 07 26 90)
- 533. Sexual abuse allegations grew out of the credit union's failure (00017425 07 26 90)
- 534. Those alleged incidents had nothing to do with Franklin the grand jury said (00017433 07 26 90)
- 535. A Douglas County Grand Jury that probed Franklin issues made its report last week (00017865 07 29 90)
- 536. What has now been referred to as the Franklin investigation (00018051 07 30 90)
- 537. The rumormongers (00018051 07 30 90)
- 538. Findings by a committee that knows more about the Franklin investigation than any other entity (00018093 07 30 90)
- 539. Legislative committee has been investigating the Franklin failure for more than 540 days (00018121 07 30 90)
- 540. The Franklin committee pursued its task quietly (00018361 07 30 90)
- 541. The committees work will continue (00018983 07 30 90)
- 542. The failure of the Franklin Community Federal Credit Union amounted to a carefully crafted hoax (00019045 08 03 90)
- 543. Editorials have distorted the gravity of the Franklin case by accepting the findings of a grand (00019571 08 10 90)
- 544. Omaha's recovery from the damage done by the Franklin rumors (00019763 08 15 90)

- 545. Who reject the grand jury finding that the Franklin videotapes contained a carefully crafted hoax (00019769 08 15 90)
- 546. A lack of confidence in the legislature's Franklin committee (00019813 08 15 90)
- 547. We indicated that it would be unfortunate if the Franklin hoax made it harder for truly abused children (00019851 08 15 90)
- 548. In November, Miss Owen made allegations to a Franklin legislative committee investigator that Wadman (00020647 09 04 90)
- 549. Wadman has said he is not the father in testimony before the Douglas County Franklin Grand Jury (00020653 09 04 90)
- 550. Miss Owen also accused Wadman of being the father in testimony before the Douglas County Franklin Grand Jury (00020853, 00020857 09 05 90)

## FOOTNOTES

1. Gencord is a computer program developed by Richard Hotchkiss, Ron Zacharski, and Tom Rindflesh of the University of Minnesota, June 26, 1989.
2. Frank Hartranft, a professor at the University of Nebraska, wrote a computer program which sequentially numbered and coded Omaha World-Herald article text.
3. VAX\EDT is a mini computer system.

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